

A NOTE

ON THE

DECENTRALIZATION
OF
PROVINCIAL FINANCE.

BY

M. G. RANADE.



Re-printed from the Quarterly Journal of
the Poona Sarvajanik Sabha.

POONA

PRINTED AT THE 'DNYAN PEAKASH' PRESS

1894.

Price one Rupee.

18 FEB 1950

X7::2

C4

10529

P R E F A C E .

The first seven chapters of this publication were submitted, while in the press, to the Accountant General, Bombay Presidency, with the permission of Government, for correction and suggestions. The Accountant General had the whole carefully examined by Mr. Blakeman, his Assistant in charge of the Budget department. Mr. Cox's letter, and the two notes written by Mr. Blakeman, are printed below, and express their opinion about the work. The additions and corrections suggested have been inserted as Appendices and *Errata* at the end.

ACCOUNTANT GENERAL'S OFFICE,
Bombay 5th September 1893.

DEAR SIR,

I have had your Pamphlet checked in my Budget Department, and send you the note which the Superintendent, Mr. Blakeman, has written. I do not think that there is any thing further to say except that I think it would be well to take the actuals for those years for which you have taken only the estimates.

The pamphlet will, I am sure, be very useful.

Yours truly,
(Sd.) A. F. COX.

NOTE (A) BY MR. BLAKEMAN.

I have gone through Mr. Ranade's Pamphlet,— Decentralization of Provincial Finance, and find that all his main facts and conclusions are correct.

Second Provincial Contract—The facts are correct, but Mr. Ranade, in reproducing the Statements showing how the contract was worked during the five years 1877-1882 (pages 27 @ 30), has entered for the last year the Budget figures. We have the actuals now, and I have entered them in a separate statement, (Vide Appendix A.), leaving it to Mr. Ranade to adopt or not as he pleases. If he adopts the actuals, his deductions under each head will require some modification.

Third Provincial Contract—correctly compiled. Here also Mr. Ranade, in his statements (pages 41@44), has adopted the Revised Estimates for 1885, and Budget for 1886. We have the actuals for these years now, and I have entered them in a separate statement (Vide Appendix B), leaving it to Mr. Ranade to adopt or not as he chooses. If the actuals are adopted, the deductions under each head will require to be modified. In the statement (page 41), Mr. Ranade has omitted the adjustments under the Land Revenue head. These have been entered here, as, if they are left out, the grand totals entered in the statement will be out by the amount of these adjustments. A few other corrections in figures have been made throughout the paper.

NOTE (B) BY MR. BLAKEMAN.

I have gone through the second part of the Hon'ble Mr. Ranade's paper on the De-centralization of Provincial Finance, and find that all the main facts have been correctly stated.

2. In the comparative statements (pages 61 and 65), approximate actuals are given for 1890-91, and the Budget figures for 1891-92. We have now the actuals for these years, and for purposes of comparison I have had them entered in a separate statement (Appendix C), so that the Hon'ble Mr. Ranade can see at a glance the differences. If he adopts these figures, his conclusions as to the net loss or gain on the several major heads will require modification.

3. The remarks made on the major head "assignments and compensations" are a little confused. The Hon'ble Mr. Ranade has split up the charges into their component parts, i. e. by minor heads, and in explanation says—"In the course of five years, the charge under the first two heads (Inamdaras and Devasthans &c.) remained very near the assigned figure, but under the third head of compensations, it increased by half a lack before 1890-91, and was $1\frac{1}{2}$ lacks more in the Budget Estimate for 1891-92." The contract grant for "compensations" was 303, the actuals of 1887-88 were 302, of 1888-89 349, of 1889-90, 628, of 1890-91 376, and the Budget for 1891-92 405, so that the increase was of half a lack in 1888-89, in 1889-90 $3\frac{1}{4}$ lacks, and in the Budget one lack. The large increase in 1889-90 was due to large arrear opium compensations. Mr. Ranade's remarks would be correct if they referred to the whole major head, but not, as would seem from the note, if they are meant for the third minor head, —Compensation. The figures for the whole major head are :—

	Approximate actuals	Budget
Contract	1890-91	1891-92
1,400	1,462	1,551

4. Page 68—Excise—The total surplus gain to the Provincial revenues was nearly 9 lacks in five years ($9\frac{1}{2}$ if actuals instead of Budget figures are taken for 1891-92), and not 7 lacks as entered.

5. Page 70—General Administration—the contract grant was 12,57, and not 12,56 as entered.

6. Police P. 71 If actuals are taken for 1891-92, instead of the Budget figures, there will be a small gain to Provincial Revenues, and not a net loss of 3 lacks. Marine P. 72. "Minor" should be "Major."

7. There is nothing else calling for special remarks, but I have in the pamphlet made one or two pencil remarks of minor importance.

DECENTRALIZATION OF PROVINCIAL FINANCE.

INTRODUCTORY CHAPTER.

Among the changes recently introduced in the constitution and powers of the Local and Supreme Legislatures, the provision for the annual discussion of the Budget is perhaps not the least important. It is true that this concession is so hemmed in with limitations all round as to make it more or less academical in character, and yet it cannot be denied that the change, small as it appears, is fraught with prospective advantages which will surely pave the way to still greater improvements. It will not be possible, however, for the outside public to take an intelligent interest in these discussions unless it is made familiar with the history of the successive stages through which the policy of financial decentralization has been developed during the past 23 years. It is proposed in the following pages to trace the growth of this policy, more especially in its reference to the Provincial Finance of the Bombay Presidency.

Prior to the year 1870, though the executive responsibility of Government was distributed among the several Local Governments, so far as the financial responsibility was concerned, the whole burden rested solely on the shoulders of the Government of India, which was supposed to gather in all the receipts, and sanction all the disbursements, large and small, for the whole empire, as well as for each separate province. In the words of the Government of India Resolution No. 3334 dated 14th December 1870, which first announced a change of policy in the direction of decentralization, the local Governments had little liberty,

and but few motives for economy in their expenditure. The Government of India alone had to control the growth of charges to meet which it had to raise the revenue. The result was that the Local Governments, which were deeply interested in the welfare of the people entrusted to their care, and not knowing the requirements of the other Provinces or of the Empire at large, were liable in their anxiety for administrative progress to allow too little weight to fiscal considerations, while the Government of India, which was responsible for the general financial safety, was obliged to reject many demands in themselves deserving of encouragement, and was not always able to distribute satisfactorily the resources actually available. The Supreme and Local authorities regarded all measures involving expenditure from different points of view, and the division of responsibility, being ill defined, led to conflicts of opinion injurious to the public service. The only way to avoid this conflict was to devise an arrangement, by which the obligation to find the funds necessary for administrative improvement, should rest upon the authority which desired those improvements. The urgency of this arrangement was forced upon the Government by the fact that the resources of the Government of India did not suffice to meet the growing wants of the people of this country. Moreover, the Government of India was not in a position to understand fully the local improvements, nor had it the knowledge necessary for the successful development of local resources. Each province has its own special wants, and it may have the means of supplying them, which could not be made generally available for imperial purposes. A tax, adapted to the circumstances of one part, may be distasteful or inapplicable elsewhere, and local or provincial rates might properly be levied to supply local wants, which could not be appropriated to increase the imperial revenue. Provincial taxation had been, of late years, levied by the different Local Governments to provide for urgent

administrative wants, such as local roads, primary education, local police, vaccination etc, and it was not expedient to intercept these funds for objects, the cost of which had been hitherto defrayed from the general revenues. It would have given greater satisfaction to the Government of India, if it had been possible to enlarge the power and responsibility of Local Governments without charging upon local resources any part of the current imperial expenditure. This was, however, not found practicable under existing circumstances, but the Government of India was anxious to make as small a demand upon local resources as possible.

This resumé of the first part of the Resolution will convey an adequate idea of the reasons which suggested to Lord Mayo's Government the policy of making an important departure in the direction of decentralising local finance by enlarging the powers and responsibilities of the Local Governments, as also of the limitations under which the first step was taken in this direction. It was a very small step dictated by a spirit of extreme caution. The Government of India only made over, under certain conditions, the following nine departments, viz. (1) Jails, (2) Registration, (3) Police, (4) Education, (5) Medical Service except Medical establishment, (6) Printing, (7) Roads, (8) Miscellaneous public improvements, and (9) Civil buildings, as being parts of the Administration in which the Local Governments were expected to take special interest. It will be seen from this enumeration that these were all spending departments, the revenues realised being comparatively small, as against the expenditure incurred in connection with them. The expenditure in 1870-71 for these services incurred by the Government of India was 5,019,512£. A sum of 330,801£, subsequently raised to 35 lacks, was deducted from this total, and it represented the relief given to the imperial exchequer by the assignment of the financial charge for these

nine services to the Local Governments. The balance was thus distributed, rateably among the eight provinces,—206,948£ for Oudh, 261,263£ for Central Provinces, 275,332£ for Burmah, 1,168,592£ for Bengal, 640,792£ for N. W. Provinces, 516,221£ for Panjab, 739,488£ for Madras, and 880,075£ for Bombay.

The actual permanent assignment for Bombay for the nine departments, which constituted the Services transferred in 1871, was thus 880,075 £. The Resolution provided that the assignments, so made to the several Provinces, would not be classified in the financial statement, and in the imperial estimates and accounts; but that they would hereafter appear only under a single new head called the Provincial Services. It was further laid down that unless some great fiscal misfortune happened, such as a great war, or famine, or fall in the opium revenue, the amounts assigned for provincial services would not be interfered with. The Local Governments were required to prepare, on the basis of these assignments their own local budgets, and to distribute, at their discretion, the assignment given to the several departments concerned. If any savings were effected by local management, they were to remain at the disposal of the Local Governments, and not to lapse to the Government of India. The local budget was to include, besides the assignment thus given, the local funds provincially raised for different purposes. These local budgets, it was directed, should be published in the local Gazettes for general information, accompanied by a financial exposition of the accounts, which exposition should be, if possible, made before the local Legislative Councils. If any deficiency was apprehended, the local Governments were expected to devise ways and means for filling it up.

Lastly, it was provided that the enlarged powers and responsibilities, thus conferred, were to be exercised by the Local Governments subject to the following conditions, viz :—(1) that no new appointment

should be created, nor addition made to an old appointment, where the salary exceeded Rs. 250 a month, without the previous sanction of the Government of India ; (2) that without the same sanction, no classes or grades of officers were to be abolished, and the pay or grade of no class of officers should be raised ; (3) no moneys were to be removed from public treasuries for investment ; (4) no additions were to be made to the pay or allowances of any individual or class of officers that would lead to an increase in the emoluments of any public servant, doing duty in the same province, whose pay or allowance was charged to the Government of India. The Government of India also retained the power to forbid any alterations in rates of pay and allowances &c. which would produce inconvenience in other provinces. (5) No change was to be effected in the services now rendered to other departments at the charge of departments provincialised, and a similar rule was to bind the non-transferred departments to render the usual services to the provincialised departments. (6) Leave, deputation, and superannuation rules, framed by the Government of India, were to be observed; and lastly, (7) returns of accounts etc. were to be submitted periodically to the Government of India.

The expectations entertained by the Government of India from this change of policy were, (1) that it would tend to greater economy. (2) It would introduce an element of certainty in the fiscal system, which was till then absent. (3) It would avoid friction, and promote harmony. (4) A greater and a wider object was also kept in view, viz :—that it would furnish opportunities for the development of self-Government. (5) It would strengthen municipal institutions, and afford scope for the association of natives and Europeans to a greater extent than before in the work of administration. Difficulties, and disappointments were expected in the actual working of the change, but the Government of India believed that

as the object in view was the instruction of many peoples and races in a good system of Administration, these difficulties would be surmounted by the Government enlisting the assistance and sympathy of many classes, who hitherto had taken little or no part in the work of social or material advancement.

These expectations might have appeared a little too exaggerated at the time when this first departure in the direction of decentralization was attempted. It is plain, however, that the Government of India did not intend to stop with the change as it was effected in 1870-71. That first step was intended to pave the way for further changes, and it was in full view of these expected developments, that the Government of India announced that the policy would not only secure economy and remove friction, but that it would be the means of instructing the people, and associating them in the work of administration. After 20 years, we are now reaping the first harvest of the great change then contemplated, and it is in this light alone that the highest moral interest attaches to the history of the development of provincial finance, which we propose to trace in the sequel of this paper.

CHAPTER II.

THE FIRST PROVINCIAL CONTRACT, 1871-1876.

The actual change accomplished in 1871 was, as has been stated above, of a very unimportant character. The estimate of the assignment made to Bombay was 880,070 £, or nearly 88 lacks of Rupees in round numbers. The following Statement will show how this estimate came to be fixed.

Assignments and Grants made for Provincial Services in accordance with Resolution 3334, dated 14th December 1870.

Head of Service transferred.	Sanctioned Grant, 1870-71	DEDUCT			Net allotment for 1871-72
		Estimated receipts, 1870-71.	Proportion of Deficit	Total.	
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Jails	7,34,400	6,640	47,476	54,116	6,80,284
2. Registration	2,53,720	3,01,410	16,121	3,17,531	—63,811
3. Police ...	38,87,080	1,40,000	2,53,829	3,93,829	34,92,251
4. Education...	11,82,710	1,04,800	76,800	1,81,600	10,01,110
5. Printing ...	2,70,500	Nil	18,494	18,494	2,52,006
6. Medical Ser- vices. ...	7,48,520	"	57,322	57,322	6,91,198
7. Road & Public Improvements	12,19,000	"	1,90,343	1,90,343	10,28,657
8. Civil Buildings	10,75,000	"	2,625	2,625	10,72,375
9. Proportion of "Establish- ment," Pub- lic Works Department	5,96,440	"	...	...	5,96,440
10. Proportion of "Tools and Plant," Pub- lic Works Department	45,880	"	...	...	45,880
Total.....	100,13,250	5,52,850	6,63,010	12,15,860	37,97,390

This statement shows that the total sanctioned grant for the Bombay Presidency on account of the assigned provincial services in 1870-71 was 100 lacks, the estimated receipts under the assigned heads were $5\frac{1}{2}$ lacks in round numbers, and the rateable proportion of the deduction of 35 lacks, which fell to the share of Bombay, was $6\frac{2}{3}$ lacks. These receipts and deductions came to about 12 lacks, and subtracting these 12 lacks from 100 lacks, the balance of nearly 88 lacks represented the assignment made for Bombay. To start the scheme fairly, a donation of 4 lacks was made from the savings of the year. This arrangement was made for six years, and at the end of 1876-77, a new arrangement was adopted about which we shall have to speak further on. It is not necessary to discuss the minor changes and additions and alternations made in the original assignment for the provincial services between 1871 and 1876. They involved no new principle, but were merely matters of adjustment and account. The following table shows the allotments for six years under each separate head from 1871-76.

It will be interesting to note how the first five years' contract under this new arrangement was worked. Taking the heads in their order, it appears that, under the first head of Jails, the sanctioned grant was $7\frac{1}{3}$ lacks, and the receipts were Rupees 6,640. The proportion of deficit was Rupees 47,476, and the net allotment was Rupees 6,80,644. When the contract was first made, the receipts were estimated at a very low figure, Rs. 6,640 only; but they rose to Rs. 32,000 in 1871, Rs. 1,17,032 in 1872, Rs. 3,30,751 in 1873, Rs. 2,59,356 in 1874, Rs. 2,67,954 in 1875, Rs. 2,56,572 in 1876. The total receipts in 6 years were $12\frac{2}{3}$ lacks. The net grant for the same period was 44 lacks, and the grand total of Jail receipts was thus $56\frac{2}{3}$ lacks. The charges during the same period of six years rose from Rs. 6,42,287 in 1871-72 to Rs. 8,16,052 in 1876-77. The total of charges for 6 years was $45\frac{1}{6}$ lacks. The contract, therefore, in respect of the Jail department showed, on the whole, a result favourable to the Local Government by nearly $11\frac{1}{2}$ lacks, which is the difference between the total amount received, and the amount expended in six years.

Under the head of Registration, the sanctioned Registration grant in 1870-71 was Rs. 2,53,720. The estimated receipts were Rs. 3,01,410, the proportion of deficit was Rs. 16,121 and the net allotment was Rs.—63,811. The actual receipts in this department did not yield, except in one year, the amount estimated. In the last year of the contract, they were Rs. 2,57,059, being Rs. 18,000 less than the receipts in 1871. Deducting the minus net grant, the total receipts were slightly less than 12 lacks in 6 years, or less than 2 lacks per year, and the total expenditure was about $14\frac{1}{2}$ lacks, or $2\frac{1}{2}$ lacks per year. The Local Government was thus a loser under this head to the amount of $2\frac{2}{3}$ lacks, the result being due to the higher cost of the Department in the Bombay Presidency as compared with that in the other provinces.

The third head was the Police department, which had a sanctioned grant of Police. Rs. 38,87,030. The estimated receipts were Rs. 1,40,000. The proportion of deficit was Rs. 2,53,829, and the net allotment was Rs. 34,93,251. The actual receipts were Rs. 2,30,648, and they rose to Rs. 4,15,856 in 1875-76, though they again fell to Rs. 1,35,084 in 1876. The total for 6 years was thus 18 lacks. The net grants were for the same period nearly $212\frac{1}{2}$ lacks, and the grand total of receipts were $230\frac{1}{3}$ lacks. The charges rose from Rs. 38,16,527 to an average of 40 lacks during the last 4 years. The total charges were 237 lacks in six years, showing a deficit of nearly 7 lacks against the Local Government. This result was also due to the comparatively higher cost of the police force in this Presidency.

The sanctioned grant was Rs. 11,87,710 and the Education. estimated receipts were Rs. 1,04,800. The proportion of deficit was Rs. 76,800, and the net allotment was 10 lacks. The actual receipts rose from Rs. 89,015 in 1871-72 to Rs. 2,04,198 in 1876-77. The principal head of receipts was represented by the fees paid in Colleges and in Schools. These receipts increased from Rs. 36,388 in 1871 to Rs. 1,29,598 in 1876, or nearly four times the figure for 1871. The total receipts in 6 years were $10\frac{1}{2}$ lacks. The net grant amounted in 6 years to 60 lacks, and the total amount of the receipts in 6 years was $70\frac{1}{2}$ lacks. The charges rose from 10 lacks in 1871 to $12\frac{2}{3}$ lacks in 1874, and fell to $11\frac{3}{4}$ lacks in 1876. The total charges were $69\frac{1}{2}$ lacks, and this department thus showed a difference in favour of the Local Government of $1\frac{1}{5}$ lacks.

The sanctioned grant was Rs. 7,48,520; no Medical. receipts were estimated under this head, and the proportion of deficit was Rs. 57,322. The net allotment was thus Rs. 6,91,198. The actual receipts rose from Rs. 10,495 in 1871 to Rs. 98,645 in 1876. The total for 6 years was $3\frac{2}{3}$ lacks, and the net grant for the same period was $53\frac{1}{2}$

lacks. The total receipts were 57 lacks, and the total expenditure for the same period was $52\frac{1}{2}$ lacks, showing a difference in favour of the Local Government of $4\frac{1}{2}$ lacks.

Under the head of printing, the sanctioned grant was Rs. 2,70,500. No receipts Printing. were estimated, and after deducting the proportion of deficit, the net allotment was Rs. 2,52,000. The actual receipts rose from Rs. 7,500 in 1871 to nearly Rs. 45,000 in 1876. Including the net grant, the total receipts for 6 years were 18 lacks, and the total expenditure 16 lacks, showing a difference in favour of the Local Government of 2 lacks.

The item of "office rent, rates and taxes" Office rent, rates was first provincialized in 1872-73, when Rs 2,38,000 were sanctioned on and taxes. the charge side on this account, and the grant was increased by a similar sum. There were no receipts under this head, and between 1872 and 1876 the charge fell from Rs. 2,28,880 to Rs. 1,83,922. The total charge for five years was $10\frac{1}{4}$ lacks, and the total grant was $11\frac{1}{3}$ lacks, which resulted in a difference, in favour of the Local Government of a sum exceeding one lack of Rupees.

The head of "minor Departments" first provincialized in 1872-73, included the Minor Depart- charge for Museums, Botanical Gar- ments. dens, District Dak charges, Model Farms, Travellers' Banglows &c. The receipts were nil, and the assignment grant ranged from Rs. 1,13,650 to Rs. 1,26,018, while the charges increased from Rs 95,181 to Rs. 1,47,605. In 6 years, there was a difference against the Local Government, of Rs. 85,000.

The next head "miscellaneous" provincialized in 1872-73, included charges for the Miscellaneous. destruction of wild beasts, and charges on account of European vagrants, purchases of books, destruction of records, cemeteries, Travellers' Banglows &c. The net grant on this account was Rs.

1,69,780 in 1872-73, and was not much varied in the course of the next five years. The receipts under this head rose from Rs. 24,000 to Rs. 43,000. The total receipts in 6 years were $2\frac{1}{2}$ lacks. The net grant came to $8\frac{1}{3}$ lacks, and the grand total was nearly 11 lacks. The total charges rose from Rs. 1,04,000 in 1872-73 to Rs. 2,84,000 in 1876-77. The final result was a balance of 3 lacks in favour of the Local Government. The marine receipts and charges were both temporary and small in amount, and need not therefore be noticed. The grant to the local funds on account of the one anna excise cess commenced in 1873, and was applied to local purposes, $\frac{2}{3}$ for District Public Works, and $\frac{1}{3}$ for Education. The grant came to about $1\frac{1}{2}$ lacks of Rupees, and amounted in 4 years to nearly 6 lacks of Rupees, which was also the total of the sum spent during the same period.

Under the head of "public works" were included Roads and Public Improvements, Civil Buildings, Establishment charges, and tools and plant. The sanctioned grant for these four heads was $29\frac{1}{3}$ lacks, and the net allotment was nearly $27\frac{1}{2}$ lacks. This total of 29 lacks was made up of $10\frac{1}{4}$ lacks for roads and improvements, $10\frac{3}{4}$ lacks for civil buildings, nearly 6 lacks for Establishment charges, and nearly half a lack for tools and plant. This allotment remained undisturbed except in 1872-73, when 10 lacks more were sanctioned for Salt-Buildings and the Bombay Court of Small Causes. The receipts, estimated at Rs. 60,000 per year, amounted in 6 years to about $6\frac{1}{2}$ lacks, and the net grants reached a total of Rs. 1,74,53,710. The actual expenditure in 6 years was Rs. 1,96,48,399, thus exceeding the receipts and net grants by a sum of $15\frac{1}{2}$ lacks. The charges for original works, repairs, establishments, and tools and plant represent a total which rose from 28 lacks in 1871 to 30 lacks in 1872, 34 lacks in 1873, 30 lacks in 1874, 33 lacks in 1875, and $31\frac{1}{2}$ lacks in 1876.

The general result of the five years' contract was that the Local Government was a gainer to the extent of $33\frac{3}{4}$ lacks under Jails, Education, Medical Services, Printing, Rents and Taxes, Miscellaneous, and Local Rates and Taxes. This last item represented the revenue realized under the Bombay Acts I and II of 1871, which Acts ceased to be operative in 1873. This was not a regular receipt, though it represented a large amount of gain, nearly $10\frac{1}{3}$ lacks. The Local Government was a loser to the extent of Rs. $26\frac{1}{2}$ lacks under Registration, Police, Minor Departments, Public works, and Refunds. If the extraordinary gain of the local taxes referred to above be omitted from the account, there was a balance against the Local Government of nearly 6 lacks as the net result of the working of the six years' contract. That gain, however, enabled it to show a balance of 7 lacks to its credit at the end of the year.

This completes our review of the first six years of the provincial contract arrangements first sanctioned by Lord Mayo's Government at the close of 1870.

CHAPTER III.

THE SECOND PROVINCIAL CONTRACT, 1877-1882.

The Government of India's Resolution No 2309 dated 2nd August 1877 laid down the lines on which the new provincial contract scheme was to be further developed. The Government of India declared it to be their intention that the arrangements now adopted should secure a further extension of the financial and administrative powers and responsibilities of the Local Government.

This addition to the powers and responsibilities of the Local Government rendered it necessary to define the rules and conditions under which the Government of India surrendered the administration of certain revenues and services to provincial uses and managements. The conditions laid down were of a more stringent character than those contemplated at the time of the first contract. They were (1) that without the previous sanction of the Government of India, no new taxes were to be imposed, and no change made in any system of revenue management. (2) No new general service or duty should be undertaken without the same previous sanction, and when the Local Government proposed to undertake any such new duty, it should satisfy the Government of India that it was in a position to provide the means out of its own resources, either temporarily or permanently according as the case might be. (3) The old rule prohibiting the creation of new appointments with a salary of Rs. 250 or upwards, or additions which had the same effect, was further strengthened by a condition that no existing appointment, with a salary of Rs 250 a month or more, should be abolished or reduced, without the sanction of the Government of India. (4) No class or grade of officers should be created or abolished, nor the pay of any such class or grade should be reduced, without previous sanction.(5)The old rule was repeated,which prohibited addi-

tions to pay &c. of any individual officer or class of officers which might lead to increase in the emoluments of public servants doing duty in the same province, whose pay and allowances were not charged to the transferred services. Similar alterations in the rates of pay and allowances, likely to cause inconveniences in other provinces, were forbidden. (6) Rates of discount upon the sale of court-fee labels and stamps, and the duties upon intoxicating spirits and drugs, were not to be altered without the sanction of the Government of India, and that Government reserved to itself the right to forbid alterations in such matters which were likely to cause inconvenience in other provinces. (7) The Local Governments were not to withdraw any balances from the public treasuries for investment or deposit elsewhere, and they were not to withdraw any money except for expenditure on public service. (8) No lines of thorough communication were to be given up, or allowed to fall out of repair. (9) No alterations were to be made in the form or procedure of public accounts. And lastly, (10) services previously rendered to other Departments at the charge of transferred departments were to be continued as before, and no services rendered to the transferred Departments by other Departments were to be increased.

It will be seen from this enumeration that the powers of control, which regulated the relations between the Local and Supreme Governments, were made more strict and exacting than were provided for by the rules of 1871. In full keeping with the spirit of the new rules, it was directed that returns showing every change made in the pay of any officer, and every new office created, or every old office abolished, any unusual or extraordinary charges incurred, or expenditure discontinued, were to be submitted quarterly to the Government of India, and all its standing orders and rules contained in the financial and other codes were to be observed, and returns and accounts submitted whenever called for. While the Government

of India declared its intention to avoid interference with the details of the administration of the transferred revenues, it was not prepared to relinquish its general powers of control, and it accordingly required the Local Government to furnish full information of their executive financial proceedings. It was also laid down that neither in the arrangements of 1871, nor in the new arrangements proposed, was there any intention to introduce any change of practice which would lead to inter-provincial or inter-presidential or inter-Departmental adjustments, and the Local Governments were required to accept without remonstrance all charges which would, under the system in force before 1871, have been recorded under any of the transferred heads of accounts, and they were not to raise objections on the ground that the charge had originated outside the Presidency, or was one in which the Presidency was not interested. Further, it was provided that the grant made for the services transferred or entrusted to Local Administrations was a consolidated grant, and no claim should be made against the Imperial Treasury on the ground that the cost of any particular service exceeded the grant allowed in the calculation of the consolidated grant. The Local Governments were further required not to exhaust the balances to their credit in the Imperial Treasuries, and the Accountants General were required to strictly enforce these rules, and to report transgressions which were not immediately rectified upon their representation. Even where the balance to the credit of the Local Governments was not exhausted, the Local Government was not to advance the money from such balance in excess of the powers entrusted to it by rule or law, but all loans must be made solely from the Imperial Treasury. Further, it was provided that the public funds should be used only for public services, and should not be employed for the advantage of any individual or private body, unless in accordance with rules recognized by the Government of India. Lastly, the

Local Governments were required to submit accounts showing balances at the beginning of the last completed financial year, and the balances at the end of that year, and the revenues appropriated, and the expenditure sanctioned during that year, as also Budget Estimate for the coming year, and revised estimates for the current year.

The whole drift of these rules appears clearly to strengthen the control and increase the subordination of the Local Governments to the Supreme Government, and to that extent the spirit of these rules contrasts strikingly with those of 1871, of which a summary was given in a previous Chapter. Sir John Strachey was, at this time, at the head of the Financial Department of the Government of India, and to his mind the idea of decentralization, as sketched out in such glowing terms in the Resolution of December 1870, was not at all congenial. In fact, in his speech in the Council delivered on 15th March 1877, Sir John Strachey stated that he disliked the term "decentralization", as it conveyed to many people the false notion that the Government of India desired to diminish its central authority. He stated that, so far from diminishing that authority, what was desired was to see that authority increased, and made the strongest possible reality. True imperial control could only be maintained by refusing to meddle with details, which the Local Authorities alone understood, and with which they alone could intelligently deal. There is not a word in this speech about the anticipated operation of the scheme as affording, in its full integrity and meaning, opportunities for the development of self-Government or for strengthening Municipal institutions, for the association of Natives and Europeans to a greater extent than here-to-fore in the administration of public affairs. There is not a word about the object in view being the instruction of many

peoples and races in a good system of administration, and about securing the assistance and sympathy of many classes, who had hitherto taken little part in the work of social and material advancement. The sole value which Sir John Strachey attributed to the scheme was that it led to improved administration, great economy in expenditure, greater productiveness in existing sources of revenue, and that it minimized the evils of new taxation by the help of local knowledge and energy. After reviewing the operation of the scheme for the previous six years, Sir John Strachey pronounced the results to be thoroughly satisfactory. The Local Government did indeed complain that the change did not go far enough, but Sir John Strachey thought that, in diminishing the old friction, in strengthening instead of weakening the authority and control of the Supreme Government, and in enabling the Local Government to carry out many improvements which otherwise would have been impracticable, the success of the experiment was beyond doubt. Greater economy had been secured, and the increase of expenditure had been prevented. The nine services, which were transferred to the provincial Government, were so selected, because they were specially liable to increases. These services had cost the Government of India more than 5½ crores in 1863-64, and the charge had increased to 6 crores in 1869-70. They were reduced to 5½ crores in 1870, when the decentralization scheme was first introduced. As the result of its five years' working, the charges of the assigned services were 5½ crores, being 20 lacks more than the figure for the year 1863-64, and 70 lacks more than the figure for 1868-69. All this improvement was secured without any increase of taxation except in Punjab and Oudh, and to a small extent in Bombay. There was thus a clear revulsion of feeling on the part of the Government of India in respect of the anticipated benefits of the policy of financial decentralization. The whole scheme was reduced to a mere depart-

mental arrangement for avoiding interference in the details of local administration.

But, though the spirit of the new arrangement was thus clearly opposed to the liberal policy announced by Lord Mayo's Government in 1870, the actual changes effected were in the direction of further decentralization. It will be noted that the arrangements adopted in 1870 transferred no revenue heads proper to the Local Governments. The items transferred were all of them services, that is, expenditure items, the corresponding receipts of which formed but a small proportion of the moneys disbursed. The most important step in advance taken in 1877 was represented by the transfer, in whole or in part, of some of the principal revenue heads of income. As far as the Bombay Presidency was concerned, under Land Revenue, the Government of India surrendered to the Local Government the Inamdar adjustments and service commutations, which form a portion of the Land Revenue receipts. This transfer was only nominal, because these receipts were balanced by a corresponding charge under Land Revenue Police, and Allowances and Assignments. The Contract figure of this assignment on the revenue side was Rs. 66,24,000. This sum of Rs. 66,24,000 was made up of Rs. 52,24,000 being the revenue of the Inamdar lands adjusted, and of Rs. 14,00,000 which represented payments made to hereditary District and village Officers, and other service lands and service commutations. This assignment of the revenue, was, however not intended to confer upon the Government any power it did not formerly possess of altering the character of these tenures.

The next head transferred was the Excise. It was estimated that the Excise revenue increased by one lack a year, and on this basis, taking the figure for 1876-77 as the starting point, the revenue for 1877 was

estimated at Rs. 40,82,000 out of which, Rs. 80,000 represented charges of collection, and Rs. 2,000 were refunds. From 1876-77 to 1881-82, one lack a year was added to the revenue estimate, and the figure for 1881 was fixed at 44 lacks. In other words, the Bomday Government bound itself to make good to the Imperial Treasury a sum rising from 40 to 44 lacks of rupees in five years on the graduated scale mentioned above, and it was on this condition that the management of this revenue was transferred to the Local Government.

The third item transferred was the Stamp Revenue. The starting figure, based on the estimates of 1876-77, was 45 lacks, and allowing deductions for charges Rs. 1,58,000, and for refunds Rs. 56,000, it was assumed that a net revenue of 43 lacks could be ensured under this head. The annual increases were estimated at half a lack each year, thus bringing up the figure to 46 lacks in 1881. The Bombay Government undertook to make good this revenue for a period of five years. The stamps and the excise revenue were thus the two major heads on the receipt side, which were provincialized at this time. The transfer of the land revenue head was only of a nominal character. The other heads transferred were of the minor sort, chief among which was Law and Justice.

The receipts under this head, about 3 lacks Law and Justice a year, bore a small proportion to the expenditure 43 lacks under the same head. For the purposes of the contract, allowing deduction for refunds, the receipts under Law and Justice were taken to be Rs. 2,70,000 which the Local Government undertook to make good for five years without any annual increases.

The three items of Excise, Stamps and Law and Justice, taken together, were thus fixed for the

riod of five years, at Rs. 85,70,000 for the first year, and Rs. 92,70,000 for the last year, the annual increment being Rs. 1,50,000. It was arranged that under these three heads any excess of revenue over the estimated figures was to be shared equally between the Central and the Supreme Governments and any deficits were also to be charged in the same proportion.

The next minor head of revenue transferred was "Miscellaneous" which did not however include gain exchange, premium on bills, or on money orders, used money orders, sale of Darbar presents, and items above Rs. 10,000 for which no sub-head was provided. The revenue under this head was estimated at one lack of Rupees, while the charges and refunds came to about Rs. 50,000. For the purposes of transfer, the revenue was estimated at Rs. 1,20,000 and the charges at Rs. 50,000. The charges under this head were transferred along with the receipts, and included all miscellaneous expenditure excepting the charge for remittance of treasure, discount and supply bills, by exchange, and all items above Rs. 10,000 which could not be brought under any recognized sub-heads. These five heads—Land Revenue, Excise, Stamps, Law and Justice, and Miscellaneous, represented all the revenue heads transferred under the new contract.

The expenditure heads transferred were (1) funds under the heads transferred, which came to a total of Rs. 1,10,000. (2) The second expenditure head transferred was Land Revenue, the grant fixed under this head being Rs. 65,07,000. (3) The transfer of excise and stamps revenue included the charges incurred under those heads, Rs. 80,000 for excise and Rs. 1,58,000 for stamps, and these, therefore, call for notice. (4) The customs charges transferred represented a much larger amount than the revenue under this head. The charge was estimated at Rs. 8,09,000,

and the minor receipts under the head of miscellaneous and ware-house rents were estimated at Rs. 77,000, and the transfer was made on the basis of the net charge being Rs. 7,20,000 which was made up of the difference between Rs. 8,09,000 expenditure, and Rs. 89,000 receipts. Customs refunds and drawbacks were not included in the transfer. The receipts from customs duties proper, though shown in the Bombay accounts, were not really provincial revenue, as they represented duties paid by the trade of the country generally which passed through Bombay, and these duties, therefore, not provincialized. (5) The service of the salt Department was also transferred to the Local Government, along with the fines and forfeitures on the receipt side. These last were estimated at Rs. 29,000, and the expenditure was fixed at Rs. 5,69,000. The proper salt revenue was not transferred because, though credited in the accounts of the Bombay Presidency, it represented the consumption of salt, not only in Bombay, but in the other Presidencies also which drew their supply from Bombay. Unlike Stamps and Excise revenues, Salt and Customs receipts were not in their nature provincial receipts, and were, therefore, excluded from the transfer arrangements made at this time. (6) The next head transferred was a purely expenditure head viz., administration. It included charges on account of the salaries of the Governor and staff, the Executive Council, the Secretariat offices, the Commissioners and their establishments, but it did not include charges on account of the Civil offices of Account and Audit, the Currency Department, Money Order offices, Allowance paid to the Presidency Bank, and Stationery purchased in the country. The grant on this account was fixed at Rs. 11,43,000 per year. (7) The Minor Departments were similarly transferred, except the Meteorological and Archaeological Departments, as also the Census, and Gazetteer, and Statistical Branches. The charge for the Minor Departments transferred was fixed at Rs. 1,13,000.

(8) The expenditure on Law and Justice was similarly transferred, and the charge assigned under this head was estimated at Rs. 43,12,000. (9) The Marine Department was similarly transferred both on the receipt and expenditure sides. The Receipts were estimated at Rs. 28,000, and the charges at Rs. 31,000. (10) The Ecclesiastical Department was made over to the management of the Local Government, and the charge fixed at Rs. 3,25,000. (11) The Medical Department was similarly transferred on the expenditure side, and the charge fixed at Rs. 2,68,000. (12) The cost of the stamp and stationery supplied to all the Departments in the Presidency, excepting the Postal and Telegraph Departments, was transferred to the Local Government, and the charge fixed at Rs. 2,29,000. (13) Allowances and assignments, excepting territorial and political pensions, were also provincialized, and the charge was fixed at Rs. 64,81,000. (14) Superannuation, retired and compassionate allowances and gratuities were similarly transferred to the Local Government. The expenditure on this head being estimated at Rs. 8,00,000, and the receipts for contributions to pensions were fixed at Rs. 80,000, leaving a net charge of Rs. 7,20,000 under this head.

The following statement brings together all the details set forth above:—

DECENTRALIZATION OF

	Revenues.	Expenditure.
	Rs.	Rs.
I Land Revenue...	... 66,24,000	3. Refunds..." ... 1,10,000
IV Excise	... 40,82,000	4. Land and Revenue ... 65,07,000
VI Customs	... 89,000	6. Excise ... 80,000
VII Salt	... 29,000	7. Customs ... 8,09,000
IX Stamps	... 45,14,000	8. Salt ... 5,69,000
XIII Law and Justice	... 3,00,000	9. Stamps..." ... 1,58,000
XV Marine	... 28,000	10. Administration ... 11,43,000
XVII Receipts in aid of superannuation, Retired, and compassionate Allowances	... 1,20,000	14. Administration ... 1,13,000
XX Miscellaneous...	... 80,000	15. Minor Departments ... 43,12,000
	... 1,20,000	16. Law and Justice ... 31,000
	... 20.	18. Marine ..." ... 3,25,000
	... 21.	20. Ecclesiastical ..." ... 2,68,000
	... 22.	Medical ..." ... 2,29,000
	... 24.	Stationery and Stamps, Allowances and Assignments ..." ... 64,81,000
	... 26.	Superannuation Allowance ... 8,00,000
	... 28.	Miscellaneous ..." ... 28,000
Existing Provincial Allotment	Total.....1,65,30,000	
		Existing Allotment for Provincial services 1,04,54,000
		Total.....3,24,17,000

It will be seen from the Statement that receipts in all to the extent of Rs. 1,58,66,000, and expenditure to the extent of Rs. 2,19,63,000, were provincialized under the contract arrangements entered into in 1877. To these figures must be added, on the receipt side the sum of Rs. 6,64,000, and on the expenditure side Rs. 1,04,54,000 already provincialized in 1871, thus bringing up the totals on the receipt side to Rs. 1,65,30,000, and on the expenditure side to Rs. 3,24,17,000. This left the charges higher than the receipts by Rs. 1,58,87,000.

There were certain heads of expenditure in which no deduction was deemed possible or expedient. These heads were :—

	Rs.
Refunds...	... 1,10,000
Excise ...	... 80,000
Stamps ...	... 1,58,000
Allowances paid to village officers	28,73,000
Allowances and assignments	64,81,000
Superannuation allowances ...	8,00,000
Provincial allotment ...	1,04,54,000

These made up a total of Rs. 2,09,56,000, and deducting it from the total charge sanctioned of Rs. 3,24,17,000, there remained a balance of Rs. 1,14,61,000, out of which the Government of India deducted five per cent, or Rs. 5,67,000. Deducting Rs. 5,67,000 from the total expenditure of Rs. 3,24,17,000, there remained the balance of Rs. 3,18,50,000, for which receipts assigned under the old and new contracts came to Rs. 1,65,30,000. The grant from the Imperial revenue to fill up the deficiency of receipts against charges was, therefore, fixed for the first year of the new contract at Rs. 1,53,20,000, and taking credit for the expected increases in Excise and Stamp revenues of $1\frac{1}{2}$ lacks per year, this amount was reduced by a corresponding deduction for the succeeding five years till it came to Rs. 1,46,20,000 in 1881-82.

The year 1877, when this new contract was made, was the year of the great famine of 1876-77. The Govern-

ment of India were prepared for the possibility of the famine crisis defeating the main intention of the arrangement, which was only suited to meet the requirements of ordinary times of prosperity. The Government of India therefore agreed to contribute in the first instance such a sum as would prevent the insolvency of the local Government on account of increased famine expenditure and diminished receipts. It was further provided that, instead of the Provincial services assignment being shown separately, as was directed in 1871, the delegated revenues and expenditure under the new arrangement were to be recorded in the public accounts of the empire exactly as they occurred without reference to the relative responsibilities and mutual engagements of the two Governments. The final settlement was to be effected upon the balance of the whole Provincial account by a single entry in the imperial accounts under the head "balance of the Local Government increased or decreased" as the case might be. Lastly, it was provided that if the receipts and allotments were insufficient to meet the assigned expenditure, the difference was to be made good from the provincial balances except for the first year. If the services cost less than the income, the difference was to be added to the provincial balance. The expenditure on local Railways and Irrigation works was not provincialized at this time, but proposals were made for the consideration of the Local Government, and it was also informed that if new works of the sort were contemplated, they would have to be provided for with a guarantee from provincial sources. These were the main points of the contract arrangements entered into in 1877.

CHAPTER IV.

THE SECOND PROVINCIAL CONTRACT CONTINUED.

The following two statements show how the contract was worked during the five years' period 1877-1882.

Provincial Revenue

	1877-78.	1878-79	1879-80	1880-81	Budget 1881-82
Opening Balance.....	...	6,00,000	12,12,490	11,01,477	11,26,000
I. Land Revenue	66,35,686	67,19,017	67,28,473	66,50,176	67,54,000
IV. Excise	40,55,306	41,97,363	50,15,578	54,98,392	54,00,000
V. Assessed Taxes	...	8,03,946	4,99,743	4,05,552	4,20,000
VI. Customs	1,04,986	1,70,186	1,02,481	85,411	76,000
VII. Salt	42,897	44,390	40,277	43,883	36,000
X. Stamps	41,62,715	43,99,980	42,60,846	42,15,365	42,80,000
XI. Registration	2,87,552	3,23,318	2,97,888	2,79,312	2,86,000
XV. Minor Departments	30,243	24,949	30,082	21,300	26,000
XVI. Law and Justice—					
Law and Justice proper	3,26,015	3,25,684	4,47,510	5,12,618	3,63,000
Jails	2,73,193	3,05,655	3,02,251	3,92,915	3,37,000
XVII. Police	2,05,380	1,93,262	2,05,060	2,40,343	2,37,000
XVIII. Marine	...	30,918	39,453	51,019	50,000
XIX. Education	1,75,728	1,79,830	1,98,647	2,21,047	1,86,000

Provincial Revenue.—Continued

		1877-78.	1878-79.	1879-80.	1880-81.	Budget 1881-82.
XX.	Medical	85,802	94,375	90,294	89,448	89,000
XXI.	Stationery and Printing	40,853	48,711	30,894	39,551	85,000
XXII.	Interest	51,140	58,206	48,115	57,136	59,000
XXIII.	Superannuation	1,09,587	1,49,487	1,26,828	1,31,188	1,18,000
XXIV.	Miscellaneous	1,15,158	90,998	71,456	78,047	77,000
XXVII.	Other Public Works	7,13,578	8,47,021	6,00,401	6,09,977	5,94,000
		1,74,43,618	1,89,97,746	1,91,36,277	1,96,22,654	1,94,28,000
Contributions	"	"	"	"	"	"
Imperial Allotment	"	1,55,50,758	1,52,45,828	21,661	20,076	24,000
Grand Total.....		3,29,94,376	3,48,83,574	3,52,73,133	3,51,39,990	3,55,18,110
Provincial Deficit		...	...	1,11,013	...	...

PROVINCIAL FINANCE.

29

Provincial Expenditure.

	1877-78	1878-79	1879-80	1880-81	Budget 1881-82	
					Original	Additional
Deficit at the close of 1876-77	5					
3. Refunds	1,42,430	2,30,996	3,41,971	2,77,804	2,86,000	...
4. Land Revenue	67,74,073	66,10,102	65,16,303	64,69,906	66,50,000	1,000
6. Excise	81,587	1,13,447	3,36,302	1,87,528	1,92,000	2,000
7. Assessed Taxes	...	54,252	40,692	24,703	27,000	...
9. Customs	849,028	8,36,208	8,26,608	8,13,422	8,44,000	...
10. Salt	8,02,319	6,25,241	5,46,792	5,52,098	5,68,000	19,000
12. Stamps...	1,51,268	1,52,272	1,99,986	1,85,984	2,07,000	...
13. Registration...	2,37,618	2,33,320	2,32,269	2,22,685	2,90,000	...
15. Post Office	96,841	94,131	88,644	89,271	90,000	...
17. Administration	12,35,805	12,21,695	11,85,676	12,25,387	12,09,000	1,000
18. Minor Departments	1,20,947	1,13,408	1,30,391	1,15,187	1,44,000	3,000
19. Law and Justice :—						
Law and Justice proper...	44,11,317	44,04,770	43,24,214	42,80,656	43,19,000	...
Jails	11,73,358	11,28,974	10,92,160	9,37,343	9,81,000	...
20. Police	43,23,192	39,34,615	39,81,637	40,55,847	39,96,000	61,000
21. Marine	...	40,845	39,063	30,444	44,000	...

Provincial Expenditure.—Continued.

	1877-78	1878-79	1879-80	1880-81	Budget—1881-82.
				Original.	Additional.
22. Education ...	10,53,369	9,88,239	10,06,528	10,02,894	10,28,000
23. Ecclesiastical ..	2,80,979	2,94,497	3,18,552	3,27,028	3,27,000
24. Medical ...	12,06,442	11,68,887	11,67,311	11,76,479	11,36,000
25. Stationery and Printing...	5,69,364	5,56,656	4,77,620	4,63,266	5,12,000
26. Political Agencies ...	1,752	1,788	2,842	3,862	2,000
27. Allowances & Assignments	65,48,387	65,94,144	65,88,731	69,13,835	68,60,000
29. Superannuation ...	9,24,148	8,70,027	9,48,967	10,33,790	10,34,000
30. Miscellaneous ...	1,99,867	1,88,964	3,76,584	2,67,267	2,00,000
34. Other Public Works ...	8,28,440	28,22,231	26,04,037	24,55,937	6,88,000
 Special contribution to the Imperial Treasury ...	 3,20,52,381	 3,32,77,947	 3,33,65,261	 3,31,50,136	 3,35,26,000
Contribution to Local Fund ...	3,41,995	3,93,137	4,00,000	4,00,000	4,00,000
			4,06,395	4,18,430	4,00,000
Closing balance ...	3,23,94,376 6,00,000	3,36,71,084 12,12,490	3,41,71,656 11,01,477	3,39,58,566 14,81,424	3,39,26,000 13,22,000
Grand Total	3,29,94,376	3,48,83,574	3,52,73,133	3,54,39,990	3,52,48,000
Provincial Surplus ...	...	6,12,490	...	3,46,927	1,96,000
Ditto Deficit ...	...	...	...	...	3,60,000

It is not necessary to examine in detail the progress of each branch of revenue and expenditure during the five years' term of this contract. It will, however, be useful to note a few particulars regarding chief heads of receipts and charges shown in the statements given above. The total figure $67\frac{1}{2}$ lacks given under the head of Land Revenue on the receipt side was made up of $10\frac{1}{2}$ lacks levied as Judi from service Inams of hereditary District and Village officers, $53\frac{1}{2}$ lacks received as Judi from other Inam lands, and $3\frac{1}{2}$ lacks levied upon the lands of police *shet sanadis*, thus making a total of nearly $67\frac{1}{2}$ lacks. On the expenditure side, the principal charges under this head were $29\frac{1}{2}$ lacks, which represented the cost of the Collector's revenue establishments, about 8 lacks more which represented the cost of the Survey and Settlement Department, and about 30 lacks which represented payments made to District and Village officers, thus bringing up the total to $66\frac{1}{2}$ lacks.

The Excise administration fully realized the expectations entertained by the Government of India. The receipts on account of license and distillery fees, and duties for the sale of liquor and drugs, rose from 39 lacks in 1877 to $47\frac{3}{4}$ lacks in 1880-81, and the transit duty on excise opium, and gain on the sale of opium brought in 6 lacks more. The total increase in five years was thus nearly 14 lacks, being 9 lacks more than what was anticipated, while the charges increased from Rs. 82,000 to 2 lacks.

As regards assessed taxes, there was no arrangement made when the contract was settled. A certain allotment was made by the Government of India, which varied from year to year.

In regard to salt and customs, no great changes took place.

As regards stamp Revenue, the actual receipts rose from $41\frac{2}{3}$ lacks to about $42\frac{1}{2}$ lacks in 4 years, thus failing to realize the anticipated increase of half a lack per year.

The Registration receipts also showed stationary figures.

As the net outcome of the five years' working of the contract, it may be remarked that there was a loss under:—

	... of	Rs. 7 $\frac{1}{4}$	Lacks.
Refunds ...	... "	8	" nearly
Land Revenue	... "	2	"
Customs ...	... "	3 $\frac{1}{2}$	"
Salt ...	... "	20	"
Stamps ...	... "	1	" nearly
Registration...	... "	5	"
Administration	... "	2	"
Law and Justice	... "	14	"
Police ...	... "	4	"
Education ...	... "	1	" nearly
Stationery and Printing	... "	10	" nearly
Allowances and Assignments of	... "	6	" nearly
Superannuation	... of	7 $\frac{2}{3}$	"
Miscellaneous	... "		

These losses were counterbalanced by gains under:—

Excise ...	... "	19 $\frac{1}{4}$	Lacks.
Assessed taxes	... "	20	" nearly
Minor Departments	... "	8 $\frac{1}{2}$	"
Jails ...	... "	1 $\frac{1}{2}$	"
Medical ...	... "	5	"
Public Works	... "	56	"

Contributions to Local

Funds	... "	2	"
-------	-------	---	---

The losses about 90 lacks were covered by the gains 111 lacks, chiefly because of the great reductions in the Public Works expenditure. The annual balances were also allowed to fall much below the limit of 20 lacks fixed as a safe reserve. While this was the condition of provincial finance, the local funds estimated receipts and expenditure showed more favourable results. The receipts were 33 lacks, and the contributions were 4 lacks in 1880-81, while the charges were 35 $\frac{1}{4}$ lacks, and the balance was 14 $\frac{1}{2}$ lacks in the same year, which was equal to the closing balance of the provincial account with an expenditure of nearly 3 $\frac{1}{3}$ rd crores.

CHAPTER V.

THE THIRD PROVINCIAL CONTRACT, 1882—1887.

The third provincial contract was entered into in 1882 when Lord Ripon was Viceroy, and Major Baring was his financial adviser. In keeping with his liberal traditions, the new contract was conceived in a more liberal spirit than what Sir John Strachey showed in settling the terms of the second contract.

The principle adopted on this occasion was considerably in advance of that adopted in 1877. Instead of giving Local Governments a fixed sum of money to make good the excess of provincialized expenditure over provincialized income, a certain proportion of the Imperial Revenue of each Province was devoted to this object. Certain heads of Revenue, as few in number as possible, were wholly, or with small local exceptions, reserved as Imperial, others were divided in proportions for the most part equal, while the remaining were wholly, or with minute exceptions, made Provincial. The balance of transfers, being against the Local Governments, was rectified for each Province by a fixed percentage on its land revenue which was otherwise reserved as Imperial. In brief, nearly $\frac{3}{4}$ th of the revenues, and above $\frac{1}{4}$ th of the expenditure of British India, were thus provincialized. Under this arrangement, the Bombay Government was permitted to share half the revenues under Forest, Excise, Assessed Taxes, Stamps and Registration, and it received the whole of the revenues under Provincial Rates, Minor Departments, Law and Justice, Marine, Police, Education, Medical, Stationery and Printing, Miscellaneous receipts under Customs and Salt, and certain items under Interest, Pension, Miscellaneous, and Public Works. The deficit between the provincialized receipts and expenditure was made up by assigning a fixed proportion, 59·82 p. c. of land revenue proper. This division will be better understood from the following statement, which it may be noted refers generally to

items recorded in the accounts of the several Provinces, and do not refer to items, in the accounts of the General Government only, such as the Mint, Post Office, Telegraph, Guaranteed and State Railways.

Revenues.

		<u>IMPERIAL.</u>	<u>PROVINCIAL.</u>
I. Land Revenue.	...	The whole, except as entered in the Provincial column.	In Bombay, Rents of Resumed Service Lands and Service Commutations and a fixed percentage (59-8216) on the Imperial Land Revenue to cover the difference between the Provincial Revenue and the Provincial Expenditure, and leave a small surplus of Rs. 6,84,000 per annum.
II. Tributes.	...	The whole.	Nil.
III. Forest.	...	Half.	Half.
IV. Excise.	...	Do.	Do.
V. Assessed Taxes.	...	Do.	Do.
VI. Provincial Rates	...	Nil.	The whole
VII. Customs.	...	All, except as entered in the Provincial column.	All items other than Customs Duties.
VIII. Salt.	...	Do.	All items other than Duty on Salt and Sale of Salt.
IX. Opium.	...	The whole.	Nil.
X. Stamps.	...	Half.	Half.
XI. Registration.	...	Do.	Do.
XIII. Post Office.	...	Nil.	The whole.
XIV. Minor Departments.	...	Do.	Do.
XVI. Law & Justice.	...	Do.	Do.
XVII. Police.	...	Do.	Do.
XVIII. Marine.	...	As at present.	As at present.
XIX. Education.	...	Nil.	The whole.
XX. Medical	...	Do.	Do.
XXI. Stationery and Printing	...	Do.	Do.

Revenue.—*Continued.*

	IMPERIAL.	PROVINCIAL.
XXII. Interest ...	All, except as entered in Provincial column	Interest on Government Securities (Provincial.)
XXIII. Pensions. ...	Book transfers from the Military and Medical Funds and subscriptions to these Funds.	The remainder.
XXIV. Miscellaneous	Gain by Exchange on Imperial Transactions, Premia on Bills and Unclaimed Bills of Exchange. As at present.	The remainder.
XXV. Railway. ...	Do.	Whatever is now Provincial in each Province Do.
XXVI. Irrigation and Navigation ...	Do.	The remainder.
XXVII. Other Public Works ...	Receipts from Military Works.	Nil.
XXXI. Gain by Exchange on Transactions with London.	The whole	

EXPENDITURE.

	IMPERIAL.	PROVINCIAL.
1. Interest ..	The whole, except as entered in the Provincial column.	Interest on Local Debenture Loans. 4½ per cent on the Capital cost to the commencement of the year, and 2½ per cent on the Capital cost during the year, of all Public Works, whether classified as <i>Productive Public Works</i> or not, of which Capital and Revenue Accounts are kept; excepting, always, any portion of their cost supplied from Provincial Revenues or by Local Debenture Loans. The rate of interest on the cost of <i>Protective Public Works</i> will be the subject of special agreement.
2. Interest on Service Funds and } other Accounts ..	Interest on Service Funds and deposits in Savings Banks.	The remainder.
3. Refunds and } Draw-backs. ..	Of the Imperial share of the Revenues	Of the Provincial share of the Revenues.
4. Land Revenue ..	Nil in Bombay.	The whole.
5. Forest ..	Half.	Half.
6. Excise ..	Do.	Do.
7. Assessed Taxes ..	Do.	Do.
8. Provincial Rates...	Nil.	The whole.
9. Customs ..	Do.	Do.
10. Salt ..	The purchase and manufacture of salt; and charges connected with the administration of Salt Revenue in Portuguese India.	The remainder.
11. Opium ..	The whole	Nil.

Expenditure.—Continued.

	Imperial.	Provincial.
12. Stamps	Half	Half.
13. Registration	Do.	Do.
15. Post office	Nil.	The whole.
16. Telegraph	Do.	Do.
17. Administration	Account and Currency offices and Allowances to Presidency Banks.	The remainder.
18. Minor Departments	Archæological and Meteorological Departments. Censuses, Gazetteers and Statistical Memoirs.	Do.
19. Law and justice	Nil.	The whole.
20. Police	Frontier Police and Police employed on Imperial State Railways and on Salt preventive duties.	The remainder.
21. Marine	Whatever is now Imperial	What is now Provincial in each Province.
22. Education	Do.	The whole.
23. Ecclesiastical	The whole	Nil.
24. Medical	Nil.	The whole.
25. Stationery and Printing	Stationery purchased for Central Stores	The remainder including cost of Stationery obtained from the Central stores.
26. Political	The whole.	Nil.
27. Allowances and Assignments	The whole, except as in the Provincial column.	In Bombay, items now Provincial.
28. Civil Furlough and Absentee Allowances	The whole.	Nil.

Expenditure.—*Continued.*

	Imperial.	Provincial.
29. Superannuations...	Items not provided for in the Provincial column	All pensions and gratuities, except pensions payable from the Military and Medical Funds, brought to account in India; each Government being responsible for the pensions and gratuities which it now pays, or, hereafter, grants or recommends, however earned and wherever paid. The remainder.
30. Miscellaneous	... Remittance of treasure, and discount on Supply Bills.	
31. Famine Relief	... See paragraph 7 of Resolution	See paragraph 7 of Resolution.
32. Railways	... As at present	Whatever is now Provincial.
33. Irrigation	... Payments to the Madras Canal Company.	Do.
34. Other Public Works	... Military Public Works and Offices of the Supreme Government; Works in the Salt, Opium, Post Office, Imperial Telegraph and Ecclesiastical Departments, and on Mints and Currency Offices; and the Bengal Surveyor General's Offices.	Do.
38. Loss by Exchange.	The whole	Nil.

The provincialized receipts, including the fixed percentage, were estimated at Rs.3,49,29,000, while the provincialized expenditure was estimated at Rs.3,45,15,000. The margin of Rs. 6,80,000 was intended to be a reserve to meet abnormal famine and other charges. This reserve being thus provided, it was arranged in further modification of all previous reservations that except in cases of severe famine, no further aid was to be expected, and on the other hand, the Supreme Government was not to make any further demand, except in the case of an abnormal disaster, which exhausted the imperial reserves and resources, and necessitated the suspension of all improvement throughout the Empire. As shown before, the unspent balance of the old contract was 21 lacks, being the difference between the gain of 111 lacks and the losses 90 lacks in five years. Lord Ripon returned back to the Provincial Government the contribution of 8 lacks which had been levied by the Government of India in 1879-80, on account of the Afgan war, and directed that it should be spent on productive public works. He also made over an extra allotment of $25\frac{1}{2}$ lacks of Rupees on account of land remissions, which were ordered to be made in certain Talukas brought under revision survey, and $2\frac{1}{2}$ lacks more for the construction of salt works. The starting balance was thus $56\frac{2}{3}$ lacks, out of which 29 lacks were available for expenditure at the discretion of the Local Government. The advantage of the system adopted by Lord Ripon over that followed previously was that the Provincial Governments obtained a direct interest not only in the Provincialized Revenues but also in the more important items of Imperial Revenue raised within their Province. As stated above Lord Ripon's Government not only returned back to the Provincial Governments the extra sums levied from them under the stress of the Afghan war in 1879 and 1880, but it found itself to make no further calls except in abnormal emergencies which exhausted all the resources of the Supreme Governments. In the case of famine

visitations, the Provincial Governments were not to look to the Imperial Government for help till all its own resources were exhausted, and then this relief will be given by way of loans raised to meet the excess cost in the Province, and Provincial finance would be expected to bear the interest charge on such loans. More important than all the changes noted above were the steps taken by Lord Ripon's Government to give effect to the foresighted anticipations shadowed forth in the 23rd Para of the Resolution of 1870 in which the policy of decentralization was recommended for its affording opportunities for instructing the people in the act of Self-Government, and strengthening municipal institutions, and securing the associations of Europeans and Natives to a greater extent than before in the administration of affairs. Lord Ripon's Government stated it to be their view that the time had now arrived when further practical development should be afforded to the intentions of Lord Mayo's Government. The Provincial Governments were expected in their turn to hand over to Local Self-Government considerable revenues at present kept in their own hands, and allow them to be managed by local committees of nonofficial members subject to such general control as may be reserved to the State by law. The Local Governments were expected to scrutinize the items of their revenue and transfer them from Provincial to Local finance.

The following two statements of receipts and expenditure will present in one view the variations from year to year from the sanctioned figures for 1882 of the actuals for the first three years, and the Revised and Budget estimates of the last two years of the contract :—

10529

PROVINCIAL FINANCE.

Statement showing the receipts as originally assigned, and the actual for the first three years and the revised and the Budget estimates respectively of the remaining two years of the Contract.

6

Heads of Account.	Sanctioned.	Actuals.	Actuals.	Revised	Budget.
Receipts.		1882	1883	1884	1885
I. Land Revenue	1,86,34,400	1,81,89,183	1,97,70,798	1,89,02,976	2,04,22,000
III. Salt	60,000	65,647	64,944	54,597	37,000
IV. Stamps (half)	20,50,000	21,04,800	21,35,381	22,32,142	22,75,000
V. Excise (half)	32,13,500	35,00,900	38,84,100	41,06,280	42,98,000
VI. Provincial Bistes	...	...	...	...	57,000
VII. Customs	79,000	66,932	49,152	46,685	45,000
VIII. Assessed Taxes } (half)	6,62,600	6,29,933	6,32,870	6,27,907	6,30,000
XI. Forest (half)	8,09,000	10,45,176	12,51,550	13,87,421	14,93,000
X. Registration (half)	1,40,000	1,41,724	1,67,349	1,86,478	1,96,000
XII. Interest	59,000	60,817	54,853	54,259	57,000
XIII. Post office	...	...	...	1,000	2,000
XIV. Telegraph	...	5,178	3,425	3,686	4,000
XV. Law and Justice	7,59,000	7,18,825	6,26,198	6,65,633	5,00,000
					5,15,000

Statement of receipts, actuals, revised and Budget estimates &c.—Continued.

Heads of account Receipts.	Sactioned.	Actuals 1882.	Actuals 1883.	Actuals 1884.	Revised 1885.	Budget 1886
XVII. Police	... 2,38,000	2,28,901	5,03,720	4,75,427	7,20,000	7,93,000
XVIII. Marine	... 35,000	45,940	47,624	49,774	53,000	54,000
XIX. Education	... 2,24,000	2,49,922	2,61,914	2,75,633	2,65,000	2,65,000
XX. Medical	... 90,000	59,228	63,901	69,987	75,000	75,000
XXI. Scientific and other minor	... 24,000	17,173	13,515	21,882	24,000	21,000
Departments						
Receipts in aid of Superannua-	... 1,38,000	1,10,028	1,14,139	1,25,295	1,31,000	1,60,000
nation						
XXII. Stationery and Printing	... 40,000	63,736	49,248	58,669	60,000	60,000
XXV. Miscellaneous	... 1,14,500	1,72,475	58,839	1,04,259	1,20,000	62,000
XXXI. Civil Works	... 6,31,000	7,16,332	7,03,733	8,17,044	7,99,000	7,53,000
Contribution	... 25,000	27,711	52,810	60,051	1,75,000	23,000
Total Revenues...	2,70,64,930	2,72,49,651	3,07,11,818	3,04,64,957	3,32,60,000	2,96,28,000

Statement showing Disbursements as originally assigned, and the actuals of the first three years, and the revised and budget estimates of the remaining 2 years of the contract.

Heads of Account. Expenditure,	Sanctioned.	Actnals. 1882	Actuals. 1883	Actuals. 1884	Revised. 1885	Budget. 1886
1. Refunds and Draw-backs.						
2. Assignments and Compensations.	3,25,700 15,13,000	6,62,907 14,26,965	17,76,275 15,87,892	2,62,856 14,57,052	3,87,000 14,68,000	3,06,000 14,74,000
3. Land Revenue	55,74,000	55,83,387	58,27,486	58,25,558	58,47,000	57,22,000
5. Salt	5,50,000	5,99,003	6,24,862	7,79,713	8,97,000	9,96,000
6. Stamps...	97,000	89,797	96,974	98,959	98,000	97,000
7. Excise	...	97,898	96,973	1,20,682	1,28,000	1,29,000
8. Provincial Rates	...	...	...	...	57,000	55,000
9. Customs	7,72,000	6,11,088	6,65,668	5,40,281	4,87,000	4,95,000
10. Assessed Taxes	12,000	9,930	9,965	10,428	10,000	10,000
11. Forest	5,89,000	6,31,243	7,72,315	8,81,729	8,92,000	9,26,000
12. Registration...	1,20,000	1,23,887	1,41,415	1,47,145	1,50,000	1,47,000
15. Post Office	89,000	88,659	89,745	89,868	1,17,000	1,07,000
16. Telegraph	...	14,500	14,779	7,045	7,000	7,000
18. General Administration	12,35,000	12,14,324	12,45,274	12,66,753	12,68,000	12,58,000
19. Law and Justice :—	51,10,000	50,70,947	50,75,157	51,86,599	51,56,000	51,90,000

4

Statement of Disbursements, actuals revised and Budget estimates &c.—Continued.

DECENTRALIZATION OF

Heads of Account Expenditure.	Sanctioned.	Actuals. 1882	Actuals. 1883	Actuals. 1884	Revised. 1885	Budget 1886
20. Police	... 36,80,000	39,27,351	41,80,190	43,05,882	44,94,000	47,46,000
21. Marine	... 40,000	32,952	70,515	87,177	62,000	70,000
22. Education	... 10,55,000	11,45,139	11,42,616	12,04,694	14,00,000	16,57,000
24. Medical	... 11,82,000	11,95,760	12,29,747	12,83,001	12,96,000	13,53,000
25. Political	... 0	2,962	1,592	2,639	2,000	2,000
26. Scientific and other minor Departments	... 1,51,000	1,49,793	1,64,238	2,07,223	3,03,000	2,45,000
29. Superannuation Allow- ances and Pensions }	10,58,000	11,60,027	11,71,284	12,05,534	12,29,000	12,95,000
30. Stationery and Printing...	4,74,000	5,41,787	5,76,480	5,31,963	5,70,000	6,12,000
32. Miscellaneous ...	2,23,000	2,57,675	2,09,380	2,03,192	2,33,000	2,59,000
33. Famine Relief	... 0	11,801	44,096	1,350	5,000	0
41. Miscellaneous Railway Expenditure	... 0	1,11,887	1,24,115	34,764	10,000	36,000
45. Civil Works Contribution	... 29,40,200 5,52,000	84,75,308 5,11,715	36,49,706 4,76,691	41,99,441 4,63,367	35,46,000 8,83,000	46,99,000 6,47,000
Total Expenditure.....	2,73,41,900	2,87,48,592	3,07,57,099	3,04,04,895	\$10,05,000	3,25,30,000

A few explanatory remarks may be added here in regard to the variations in the more important items. Under this contract the five years' working of the land revenue receipts resulted in a net surplus gain of $37\frac{1}{2}$ lacks to the credit of the Provincial Government. This surplus was cut down by a contribution of 20 lacks made to the Imperial Government in 1886-87.

The head of salt receipts forms a very small item of provincial receipts. As regards receipts from stamps, the provincial half share of the revenue was estimated at $20\frac{1}{2}$ lacks at the time of the contract. It exceeded the estimated figure by nearly 7 lacks in five years. The excise revenue also showed very favourable results. The provincial half share of the excise revenue was estimated at the time of the contract at $32\frac{1}{7}$ lacks, but the actual receipts rose from 35 lacks to 43 lacks, and the total excess in five years was over 41 lacks, out of which a moiety went to the Supreme Government. The receipts from Provincial Rates are of no great importance so far as the provincial Budget is concerned, for there are no provincial rates proper, and the receipt is only due to the assignment of the net proceeds of local rates to local boards, and the sum of Rs. 57,000 represents the cost of collection of the local rates, and is balanced by a corresponding charge of about Rs. 55,000. Provincial customs receipts are insignificant and they were further diminished by the abolition of the customs duties. The provincial half share of assessed taxes was fixed in 1882 at $6\frac{2}{3}$ lacks, and the collections were slightly over $6\frac{1}{3}$ lacks. There was a loss of $1\frac{2}{3}$ lacks in five years. The Forest revenue showed better results. The contract figure of the provincial half share of these receipts was 8 lacks, but the actual realizations rose from 10 to $16\frac{1}{4}$ lacks, and resulted in a surplus of $25\frac{1}{3}$ lacks on the gross revenues, and about $13\frac{2}{3}$ lacks on the net revenue. Under Registration, the contract figure of the provincial half share of receipts was Rs. 1,40,000, or 7 lacks in five years. The realizations exceeded this figure by nearly 2 lacks.

The next three heads, Interest, Post Office, and Telegraph, do not call for any notice, as the last two services were not made over to the Local Government, and the interest receipt is only a nominal receipt in connection with certain Educational and Medical endowments. Under the head of Law and Justice, the receipts were set down in the contract at Rs. 7,59,000 per year. The receipts actually realized were on an average less than six lacks per year, thus resulting in a loss to the Local Government of $8\frac{2}{3}$ lacks in five years. Under the head of Police, the receipts were estimated in the contract at Rs. 2,38,000 per year. The actual receipts in five years were more than twice the contract figure, being $27\frac{1}{4}$ lacks in five years. The increase was due to a larger contribution from the Bombay Municipality, and payments for private service, cattle trespass fines, and excise police. The marine receipts were similarly in excess of the contract figure which was Rs. 35,000 per year, while the actual receipts were Rs. 75,000 per year. The receipts under Education were fixed at Rs. 2,24,000 per year in the contract, while the actual receipts were in excess by nearly 2 lacks in five years, owing to the increase of the number of schools and scholars. Under Medical, there was a similar increase in the receipts, the contract figure being Rs. 54,000, while the actual receipts were over Rs. 60,000 owing to the increase of fees in the Grant Medical College. The receipts under Scientific and Minor Departments were slightly over the contract figure, the excess being Rs. 90,000 in five years. The receipts in aid of Superannuation showed a fall-off, owing to the reduction made by the Government of India in the contributions made by officers lent to foreign States. The contract figure was Rs. 1,38,000 and the receipts were on an average Rs. 1,28,000, resulting in a loss of about, Rs. 50,000. The receipts from Stationery and Printing were greatly in excess of the contract figure, Rs. 40,000. The actual receipts were nearly 3 lacks in five years, the increase

being due to recoveries made from the Berar Provinces, which item had not been included in the contract. The Miscellaneous receipts, estimated at Rs. 1,20,000 in the contract, were slightly less owing to subsequent transfers of minor sub-heads. As regards Public Works, the receipts estimated at the time of the contract were Rs. 6,31,000 per year. The actual receipts were a lack more per year, owing chiefly to improvements in Toll receipts. This exhausts nearly all the main heads of Income on the revenue side.

On the expenditure side, the first head Refunds and Drawbacks calls for no remarks, as Refunds and Drawbacks. the items included in it are of a very miscellaneous character, and it will be sufficient to state that there was an increase of $3\frac{1}{2}$ lacks over the contract figure in five years.

The amount taken in calculation under this head Assignments and Compensations. at the time of the contract was Rs. 15,13,000, which sum was made up of $7\frac{1}{2}$ lacks being payments made to Inamdaras and other grantees, $3\frac{1}{2}$ lacks being pensions in lieu of resumed lands, and $4\frac{1}{2}$ lacks being made up of compensations and miscellaneous. Of the amount payable to Inamdaras and other grantees, $3\frac{1}{4}$ lacks were payable to District Officers, and $4\frac{1}{4}$ lacks to Inamdaras proper. Of the pensions, about $2\frac{1}{2}$ lacks were payable to Devasthanas, and about 1 lack to Varshasans. There was a net gain of $1\frac{1}{2}$ lacks under this head to the Local Government in five years.

The amount sanctioned under this head in the Land Revenue. contract was $55\frac{3}{4}$ lacks, out of which more than half, or $28\frac{2}{3}$ lacks, represented the cost of the Collectors &c. and their Establishments, about lacks represented the cost of the Survey and Settlement Department, about $12\frac{1}{2}$ lacks represented payments made to District and Village officers, and $6\frac{1}{2}$ lacks represented sanctioned village expenses. In the course of five years (1882-1887), the last head was fairly kept down viz., payments

made to District and Village Officers, but there was an increase of $2\frac{1}{2}$ lacks in the cost of the Revenue and Survey establishments. This resulted in an increase of expenditure of 9 lacks in five years. Part of this increase was due to temporary causes, and part was due to the increase in revenue caused by revision settlements.

The sanctioned expenditure under this head at the time of the contract was $5\frac{1}{2}$ lacks.

Salt. The actual expenditure greatly exceeded this figure, being as high as 9 lacks at the end of the period. The net excess in five years was $3\frac{2}{3}$ lacks, after making allowance for increased allotments. The increased expenditure was due on account of the reorganization of the establishments, and the creation of new frontier preventive lines in Kathiawar and Central India.

The sanctioned expenditure under this head at the time of the contract was Rs.

Stamps. 1,94,000, of which one half was imperial and the other half was provincial. This limit was fairly maintained in the course of five years, and there was a small net saving. The total sum of Rs. 1,94,000 was made up of $\frac{2}{3}$ lacks charges on the sale of general stamps, $\frac{1}{3}$ lack charges on the sale of court-fee stamps, $\frac{1}{2}$ lack cost of stamp paper, and $\frac{1}{2}$ lack for establishment charges.

The contract figure sanctioned under this head for expenditure was 2 lacks, of which Excise. one half was imperial, and the other half was provincial. The expenditure increased to $2\frac{1}{2}$ lacks in five years, owing to the large increase of revenue, which made it necessary to employ a larger establishment.

The item of Provincial Rates was only a nominal Provincial Rates. expenditure head in the contract, and calls for no remarks. It represents an adjustment entry representing the cost of collecting the local cess.

The sanctioned charge under this head was $7\frac{3}{4}$ lacks. There was a great saving under customs. Under this head on account of the reduction of the customs establishment caused by the abolition of import duties. The saving on the estimate was $11\frac{2}{3}$ lacks, but out of this sum $7\frac{1}{2}$ lacks were surrendered to the Imperial Treasury, and $1\frac{2}{3}$ lacks were reserved for pensions and gratuities. A portion of the customs establishment charge was transferred to the head of salt, and the net saving was thus reduced to Rs. 60,000.

The charge under this head was fixed in the contract at Rs. 24,000, of which one half Assessed Taxes. was imperial, and the other half was provincial. The income tax was introduced during the period of the contract, and Rs. 10,000 were allotted, to the Local Government as its provincial share of the charges for collection.

The sanctioned charge under this head was Rs. Forest. $11,78,000$, of which one half was imperial, and the other half was provincial. It included $7\frac{1}{2}$ lacks for conservancy, and $4\frac{1}{2}$ lacks for establishment charges. There was a great excess of expenditure under both heads, the excess being nearly 2 lacks under conservancy, and 4 lacks under establishment. This additional expenditure was sanctioned by the Government of India for the purpose of carrying out a scheme for the re-organization of the superior forest staff, and the increase of conservancy charges was due to the large extension of protected forest areas, and the collection of forest produce by departmental agency.

The sanctioned charge under this head was Rs. Registration. $2,40,000$, of which one half was imperial, and the other half was provincial. There was an increase in expenditure in five years of nearly Rs. 60,000, owing to the reorganization of District establishment rendered necessary by the transfer of Registration under the Relief Act from Village to Circle Registrars.

The next two charges noted in the margin are not provincial, and call for no remark, as Post and Telegraph. the provincial items are very insignificant in amount. The chief heads of provincial post office charges are a contribution to (Postal Mail Service between Bombay and Goa Rs. 16,000), and District Dak Establishment (Rs. 42,000). The only provincial telegraph charge was in connection with a telegraph line from Sholapur to Barsi, which cost Rs. 7,000.

This head was estimated to cost $12\frac{1}{3}$ lacks at the time of the contract. This expenditure included the salary of the General Administration. Governor and his staff and household expenditure, which amounted in all to 2 lacks of Rupees. Tour expenses and contract allowances came to about $1\frac{1}{4}$ lacks, the charges on account of the Executive Council were $1\frac{1}{3}$ lacks; Secretariat charges came to $4\frac{1}{3}$ lacks, and the charges for the four Commissioners reached a total of $3\frac{1}{3}$ lacks. These charges were not much exceeded in the course of five years.

The charge under this head was estimated at the Law & Justice. time of the contract at Rs. 51,10,000. This included the salaries ($3\frac{1}{4}$ lacks) of the Judges of the High Court; the High Court Establishments on the original and Appellate side represented another $3\frac{1}{4}$ lacks, the Law Officers cost $1\frac{1}{2}$ lacks, the charge for Civil and Sessions Judges represented $18\frac{1}{2}$ lacks, that for Courts of Small Causes represented $2\frac{2}{3}$ lacks, and for Criminal Courts represented $12\frac{1}{4}$ lacks, and for Jails $8\frac{1}{2}$ lacks. These charges were not much increased in the course of five years. There was an increase in the charge of Criminal Courts of nearly 1 lack, and on account of Civil and Sessions Courts of another lack per year, but this was counterbalanced by decreased expenditure under Jails of nearly 2 lacks. The net result of the contract was a loss of $5\frac{3}{4}$ lacks in the course of five years.

The charges under this head were estimated to cost Rs. 36,80,000 per year at the time of the contract. This amount included $1\frac{2}{3}$ lacks for the Presidency Police, $32\frac{1}{2}$ lacks for the District Force, including both officers and men, about 2 lacks for Village Police, and nearly 1 lack for Railway Police. In the course of five years, this charge was increased from 37 lacks to 45 lacks, the chief increase being about $3\frac{1}{2}$ lacks in the Presidency Police Charges, about 2 lacks in the District Police, and about $1\frac{1}{4}$ lack in the Village Police charges. Including the fresh allotments, the total sanctioned charge was nearly 2 crores for five years, while the actual charge exceeded that amount by nearly 19 lacks. Out of the total cost on account of the District Executive Force, the salaries of the 37 District and Assistant Superintendents were estimated at $2\frac{1}{3}$ lacks, and the cost of the Police Force proper, 19,000 men, was 26 lacks.

This head is of minor importance in provincial accounts. The sanctioned charge Marine. of Rs. 46,000 was not exceeded in any year.

The sanctioned charge under this head was $10\frac{1}{2}$ lacks, out of which direction and Education. inspection charges represented an expenditure of $2\frac{1}{3}$ lacks at the time of the grant. The cost of Government Colleges, special and general, was 2 lacks; Government schools, general and technical, cost $3\frac{1}{2}$ lacks; Grants-in-aid represented Rs. 86,000, and payments by results Rs. 80,000. In the course of five years, the sanctioned expenditure increased from $10\frac{1}{2}$ lacks to 14 lacks. The increase was chiefly in the item of grants-in-aid and payments by results, which were raised from $1\frac{1}{3}$ lacks to $3\frac{1}{4}$ lacks in 1885-86, and the Budget Estimate in 1886-87 was 5 lacks. There were smaller increases under inspection charges and in the cost of Colleges and schools. The average

increase over the contract figure in the course of the five years' period was $3\frac{1}{3}$ lacks, due to the increase of Inspectors and College Professors, and to the increase in the number of Schools and Colleges, and of building-grants to these institutions. On the whole the actual expenditure exceeded the contract figure in five years by nearly 13 lacks. The contributions to local funds, which were fixed at Rupees 2,20,000, were exceeded by 2 lacks in the course of five years. There were besides 2 lacks more given for grants to school-buildings. These items increase the total excess to $16\frac{2}{3}$ lacks in five years. On the whole, the educational expenditure was under all heads increased by the liberality of the Local and Supreme Governments during these five years.

The contract figure under this head was fixed at Rupees 11,82,000, and it was increased in the course of five years to 13 lacks. This charge included three lacks being the cost of Medical Establishments, $1\frac{1}{2}$ lacks being the charge for Sanitation and Vaccination, $4\frac{2}{3}$ lacks for Hospitals and Dispensaries, Rs. 87,200 being grants to Dispensaries, Rs. 91,000 for Lunatic Asylums, Rs. 26,000 for Lock-Hospitals, Rs. 20,000 being the charge for the Chemical Examiner, and Rs. 43,000 represented the net cost of the Grant Medical College. In the course of five years, there was an addition of Rs. 50,000 to the charge for Sanitation and Vaccination. Another Rs. 50,000 were represented by the additional cost of Hospitals and Dispensaries. With the fresh allotments, the five years' contract charge was expected to reach a total of 58 lacks. The actual charge exceeded this amount by $5\frac{1}{2}$ lacks. This service, therefore, like that of Education, received liberal consideration from Government during this term of five years.

This head is of minor importance in respect of Political Provincial accounts, and therefore calls for no notice.

Scientific and Minor Departments had, at the time of the contract, a sanctioned charge of $1\frac{1}{2}$ lacks, which was raised in the course of five years to 3 lacks in 1885-86. Under this head were included the charge for Museums, - Rs. 5,000, Model farms cost Rs. 11,000, cotton experiments Rs. 9,000, Botanical Gardens Rs. 12,000, Bull and Stallion charges Rs. 40,000, and Miscellaneous Rs. 8,000. The contract figure with fresh allotments was $7\frac{2}{3}$ lacks in five years and the actual expenditure was 3 lacks more during the same period. The new Agricultural Department, the Census charges, the cost of the veterinary classes opened in 1886-87, and the newly created factory Establishment, account for the increase of expenditure under this head referred to above.

The superannuation charges and pensions represent the next head of expenditure. Superannuation charges and pensions. The contract charge as fixed at first was $10\frac{1}{2}$ lacks per year. The actual charges were $5\frac{2}{3}$ lacks in excess in five years, the addition being chiefly due to the pensions granted to the reduced customs establishment. Of the total of Rs. 10,58,000, nearly 9 lacks represented pensions proper, compassionate allowances were slightly over one lack, and gratuities were about Rs. 50,000.

This head had a contract charge of $4\frac{3}{4}$ lacks, which rose to $5\frac{3}{4}$ lacks in five years. Stationery and Printing. This charge included the cost of the stationery office Establishment, - Rs. 20,000, stationery charges Rs. 2 lacks, and the charge of Government Presses was $2\frac{1}{2}$ lacks. The total expenditure was $2\frac{1}{3}$ lacks more than the sanctioned charge in five years.

This head had a sanctioned charge of $2\frac{1}{4}$ lacks. It was fairly kept down at the contract figure. This charge included rents, rates and taxes,-Rs. 88,000, rewards for the destruction of wild beasts,-Rs. 14,000, Traveller's Banglows, rewards for proficiency in languages, subscriptions to periodicals,cost of books purchased, and charges on account of European Vagrants &c. The item of famine relief was of no importance during the term of the contract, as less than Rs. 50,000 were spent on this account in five years. The same remark holds good in regard to Miscellaneous Railway expenditure.

Under Civil Public Works, the sanctioned charge was $29\frac{1}{2}$ lacks per year. This Civil Public Works charge was greatly exceeded every year, being $34\frac{3}{4}$ lacks in 1882, $36\frac{1}{2}$ lacks in 1883, 42 lacks in 1884, $35\frac{1}{2}$ lacks in 1885, and the Budget estimate for 1886-87 was 47 lacks. The actual expenditure in five years exceeded the sanctioned grants with allotments by $47\frac{1}{4}$ lacks.

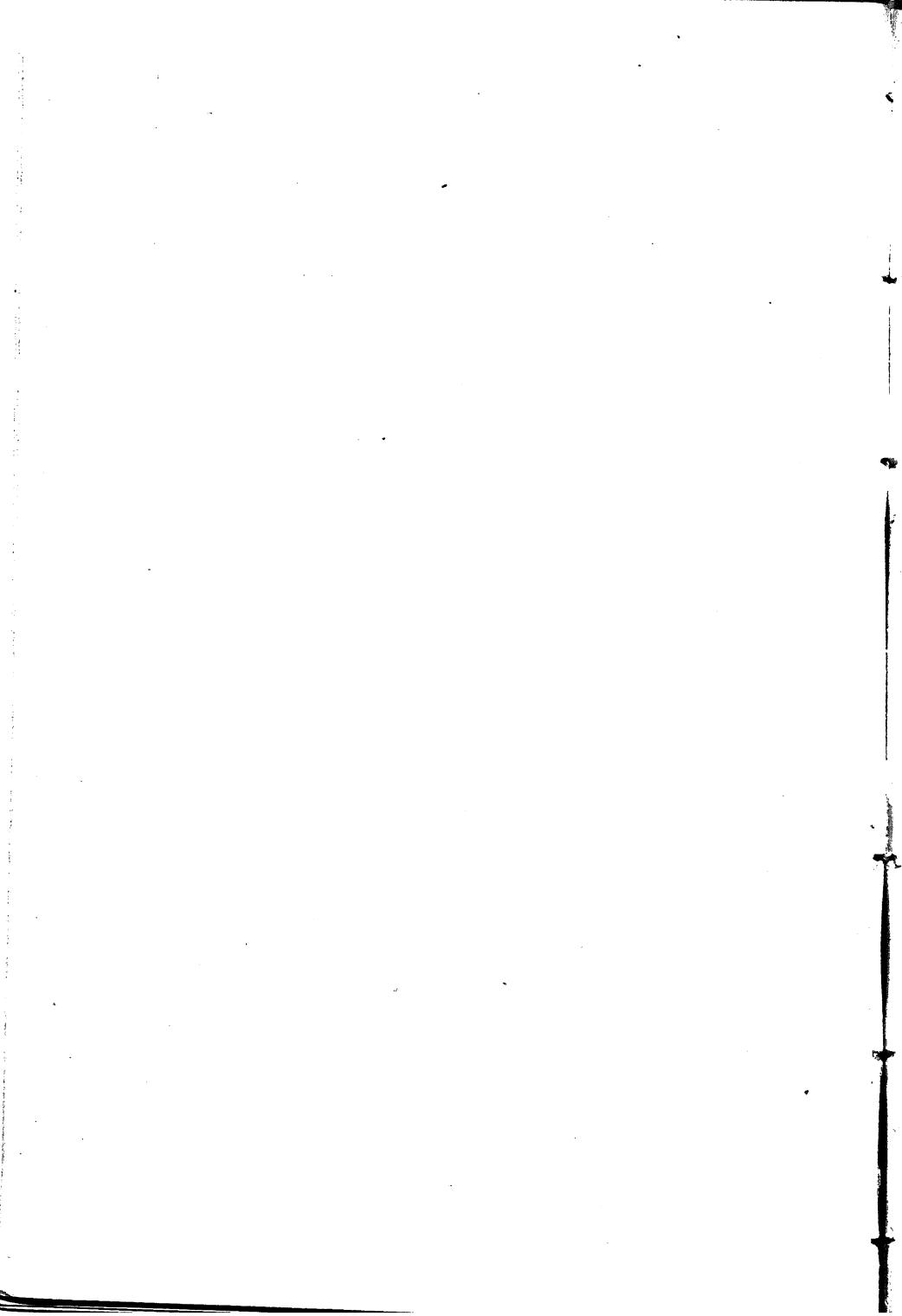
Contributions from provincial to local is the last head of charges on the expenditure Contributions side, and the amount fixed was $4\frac{1}{2}$ lacks per year. It included $2\frac{1}{4}$ lacks of grants to schools and school buildings, $1\frac{1}{2}$ lacks contributed in lieu of 1 anna cess on excise revenue, about Rs. 50,000 contributed to the cost of local fund Public Works, Rs. 17,000 grants to Dispensaries, Rs. 4,000 for the school of Industry, and other charges. In the course of five years, the sanctioned expenditure on this head was 25 lacks, while the actual expenditure was 30 lacks. This completes our review on the expenditure side.

The general result of the five years' working of the contract was that the total sanctioned expenditure was Rs. 15,13,00,000, which added to the opening balance 29 lacks, and a special grant of $27\frac{2}{3}$ lacks for remissions and salt works made up a grand total of

Rs. 15,61,00,000, while the actual expenditure was 15 crores and $34\frac{1}{2}$ lacks. This sum included 20 lacks contributed to the Imperial Government. The true balance would thus have been $55\frac{1}{3}$ lacks as the result of the five years' working of the contract. This result was brought about by the gains and losses on the following items :—

	GAINS.		LOSSES.
Land }	Rs.30 Lacks nearly	Salt ...	Rs. 4 Lacks
Revenue }		Customs ...	„ 93,000
Stamps...	„ 7 „	Assessed }	„ $1\frac{1}{2}$ Lacks
Excise ...	„ 41 „	Taxes. }	„ „
Forest...	„ $13\frac{2}{3}$ „	Interest...	„ 11,000
Registration	„ 73,000	Post ...	„ 42,000
Marine	„ $1\frac{1}{2}$ Lacks	Telegraph...	„ 70,000
Assignments	„ $1\frac{1}{2}$ „	Law & Justice	„ $5\frac{3}{4}$ Lacks
Interprovincial adjustments	„ $1\frac{1}{2}$ „, nearly	Police ...	„ 20
Bombay Police superannuation		Education...	„ $10\frac{3}{4}$ „
Fund balance	„ 3 „	Medical ...	„ 5 „, nearly
Provincial balance drawn upon	„ $29\frac{2}{3}$ „	Scientific De- partment...	„ 3 „
Contribution to the Imperial }	„ 20 „	Superannuation,	„ $6\frac{1}{2}$ „
Government		Stationery and Printing ...	„ $1\frac{1}{2}$ „
		Miscellaneous	„ $3\frac{3}{4}$ „
		Civil works...	„ 37 „
		Contribution } to local funds } Refunds ...	„ $2\frac{4}{5}$ „
		Administration	„ $3\frac{1}{2}$ „
		Political ...	„ 11,000 „
		Famine ...	„ 62,000
		Mis. Railway	„ 70,000 nea.

On the whole, this five years' term of the contract was in every way favourable to the local administration.



CHAPTER VI.

THE FOURTH PROVINCIAL CONTRACT, 1887-1891.

The fourth revision of the provincial contract arrangements was carried out in March 1887 with all the Local Governments except Punjab, where the old contract was continued. The following table gives a summary of the way in which the assignment of receipts and disbursements was made for the purposes of this contract :—

Assignment of Provincial Revenue and Expenditure, Bombay,
arranged according to the present classification and showing the net
assignment for each Department.

(Figures in even thousands, 000 being omitted.)

Heads of Revenue and Expenditure,	Estimate for purposes of the contract.	Proportion assigned to Provincial.	Provincial share		Net assignment to each Department.
			Receipts.	Expen-	
L a n d Revenue.	3,28,00	One-fourth	82,00	...	
Do. (Alienated)	81,09	Whole	81,09	...	
Do. (Allotment fixed)	81,87	Do.	81,87	...	
Do. (Surveys and settlements)	9,14	Do.	...	9,14	
Do. (District Administration)	29,58	Do.	...	29,58	
Do. (Allowances to Village Officers, cash)	18,25	Do.	...	18,25	
Do. (Allowances to Village Officers, alienations)	9,28	Do.	...	9,28	
Do. (Land Records and Agriculture)	54	Do.	...	54	

DECENTRALIZATION OF

Assignment of Provincial Revenue and Expenditure &c.—

PROVINCIAL FINANCE.

59

Police	(Receipts)	3.20	Whole	£.^s.^dJ	43,64
Do.	(Expenditure)	41.92	Do.	41.92	...
Do.	(Alienations)	49.2	Do.	4,92	27
Marine	(Receipts)	50	Do.	...	...
Do.	(Expenditure)	23	Do.	...	...
Education	(Receipts)	3.00	Do.	3.00	28
Do.	(Expenditure)	15.22	Do.	15.22	...
Medical	(Receipts)	7.5	Do.	7.5	12.22
Do.	(Expenditure)	12.99	Do.	12.99	...
Scientific and Minor Departments.	(Receipts)	21	Do.	21	...
Do.	(Expenditure)	1.86	Do.	1.86	...
Superannuations	(Receipts)	1.60	Do.	1.60	11.35
Do.	(Expenditure)	12.95	Do.	12.95	...
Stationery and Printing	(Receipts)	44	Do.	44	5,40
Miscellaneous	(Receipts)	5.84	Do.	5.84	...
Do.	(Expenditure)	64	Do.	64	1,09
Post Office	(Receipts)	1.73	Do.	1.73	...
Do.	(Expenditure)	2	Do.	2	1,05
Telegraph	(Receipts)	1.07	Do.	1.07	...
Do.	(Expenditure)	2	Do.	2	2
Public Works	(Receipts)	4	Do.	4	...
Do.	(Expenditure)	7.21	Do.	7.21	21,77
Contributions	(Receipts)	28.98	Do.	28.98	...
Do.	(Expenditure)	17	Do.	17	4,47
		4,64		...	...
					3,57,55
					2,55,40
					2,55,40
	Grand Total.....				

(a) * Payments under Goa Treaty Imperial, Excise, divided, the rest Provincial.

The chief features of this new contract may be thus described. As regards civil revenue, in addition to the local revenue, certain shares of the net general revenues were assigned to the Provincial Governments. Thus $\frac{1}{4}$ th of the Land Revenue proper and of the Excise receipts, and $\frac{3}{4}$ ths of the Stamps receipts were provincialized, and the revenue from Assessed Taxes, Forest and Registration were shared half and half. As regards Civil expenditure, the charges for the collection of the land revenue, and those connected with the salaries and expenses of the Civil Department, were provincialized wholly. The charges on account of Assesssd Taxes, Forest, and Registration, were equally shared, while those on account of Excise and Stamps were made $\frac{3}{4}$ ths imperial, and $\frac{1}{4}$ th provincial. The expenditure on Irrigation was not provincialized, and the Customs Department was also kept imperial in this Presidency. As the estimated receipts thus provincialized fell short of the estimated provincial expenditure, a further grant to supplement provincial revenue was made from the imperial share of land revenue. In the Bombay Presidency this allotment was fixed at Rs81,87,000.

The following statements present the actual receipts and expenditure for the first three years of the contract, the approximate revised estimates for 1890, and the Budget figures for 1891-92:—

PROVINCIAL FINANCE.

61

Comparative Statement showing under each Major Head the receipt figures originally assigned and the actuals of the first three years, the approximate actuals for 1890-91 and the Budget Estimate for the remaining year of the contract terminable on 31st March 1892.

Head of Account.	1887-88		1888-89		1889-90		1890-91		1891-92	
	Receipts.	Contract figures.	Rs. 54,89,778	Actuals.	Rs. 52,44,033	Actuals.	Rs. 54,27,256	Actuals.	Rs. 58,40,867	Final Budget Estimate.
Opening Balance.		Rs. ...	86,02,782	86,65,164	87,96,537	89,85,886	90,09,000			
I. Land Revenue	... 82,00,000 81,87,000	86,16,675	89,96,198	88,71,560	72,07,198	91,98,000				
III. Salt ...	... 24,000	50,197	38,801	49,780	45,544	46,000				
IV. Stamps	... 22,76,000	36,64,075	37,47,894	39,19,633	40,11,375	40,50,000				
V. Excise	... 36,000	23,66,469	24,56,043	24,77,631	24,97,536	24,76,000				
VII. Customs	... 14,05,000	42,731	40,842	51,38	44,652	44,000				
VIII. Assessed Taxes	... 15,50,000	15,97,698	15,98,207	16,57,891	16,65,880	16,72,000				
IX. Forest	... 1,97,000	15,16,289	14,25,095	15,68,848	16,00,653	17,50,000				
X. Registration	... 57,000	2,15,275	2,37,383	2,46,706	2,48,955	2,53,000				
XII. Interest	... 2,000	52,233	2,10,719	2,07,065	2,21,280	2,23,000				
XIII. Post office	... 2,000	2,200	1,200	1,800	1,600	2,000				
XIV. Telegraph	... 2,000	3,886	3,410	3,193	3,000	3,000				
XVI. Law and Justice	A—Courts of Law B—Jails	2,85,000 2,35,000	3,19,532 1,85,551	3,45,151 2,02,151	4,12,324 1,84,997	4,00,615 2,16,922				

DECENTRALIZATION OF

Comparative Statement showing the receipts and actuals of the first three years &c.—Continued.

Heads of account Receipts.	1887-88		1888-89		1889-90		1880-91		Final Budget Estimate. Rs.
	Contract figures.	Actuals.	Rs.	Actuals.	Rs.	Actuals.	Approximate Actuals.	Rs.	
XVII. Police	3,20,000	3,08,291	3,14,945	3,42,249	3,77,903	3,65,000			
XVIII. Marine	50,000	61,010	55,319	63,563	63,350	65,000			
XIX. Education	3,00,000	2,74,671	2,71,148	2,84,916	2,69,702	2,73,000			
XX. Medical	75,000	95,940	1,02,004	1,00,394	1,12,962	1,15,000			
XXI. Scientific and other Minor Departments	...	21,000	64,940	45,245	46,258	37,701	34,000		
XXII. Receipts in aid of Superan- nuation	1,60,000	1,89,012	2,01,724	2,08,124	2,54,152	2,71,000			
XXIII. Stationery and Printing	44,000	55,397	64,354	54,680	53,114	62,000			
XXIV. Miscellaneous	64,000	63,114	75,445	62,510	96,249	59,000			
XXV. Irrigation Minor Works and Navi- gation.	...	...	...	10,471	10,406	13,000			

XXXII.	Civil Works :—					
Civil Officers	2,000	8,109	4,609	5,044	3,065	3,000
Public Works Officers	7,19,000	7,73,057	7,75,904	7,91,418	8,12,777	7,69,000
Contributions	17,000	34,775	52,101	1,28,211	1,76,765	1,48,000
Total Revenue...	2,76,63,000	2,91,66,909	2,99,31,058	3,05,47,541	2,94,19,332	3,15,16,000
Grand Total	...	3,46,56,687	3,51,75,089	3,59,74,797	3,52,60,199	3,61,20,869

Comparative Statement showing under each Major Head the disbursement figures originally assigned and the actuals of the first three years, the approximate actuals for 1890-91 and the Budget Estimate for the remaining year of the contract terminable on 31st March 1892.

Heads of Account.	1887-88		1888-89		1889-90		1890-91		1891-92	
	Contract figure.	Actuals.	Actuals.	Actuals.	Actuals.	Actuals.	Actuals.	Budget.		
1. Refunds and Draw-backs.										
2. Assignments and Compensations.	Rs. 1,55,000	Rs. 1,94,877	Rs. 1,66,257	Rs. 1,85,594	Rs. 1,88,609	Rs. 1,88,000				
3. Land Revenue	14,00,000	14,81,227	14,61,516	18,17,841	14,61,682	15,51,000				
6. Stamps... ...	57,51,000	57,27,132	56,98,758	57,37,983	56,02,690	59,11,000				
7. Excise	1,45,000	1,55,400	1,55,849	1,59,953	1,59,910	1,64,000				
10. Assessed Taxes	65,000	74,494	81,923	83,750	86,405	91,000				
11. Forest	23,000	33,000	26,470	26,170	27,028	26,000				
12. Registration...	9,25,000	9,67,840	8,45,406	8,82,837	9,18,193	10,15,000				
13. Interest on Ordinary Debt	1,26,000	1,42,367	1,43,615	1,44,821	1,45,913	1,50,000				
14. Interest on other obligations	...	...	1,27,855	1,31,233	1,51,365	1,74,000				
5. Post Office	1,07,000	1,17,033	...	4,074	...	...		
6. Telegraph	4,000	3,894	1,07,253	1,07,074	1,08,597	1,07,000				
8. General Administration...			3,642	3,672	4,000	4,000				
9. Law and Justice:-	12,57,000	12,38,389	12,12,240	13,16,353	13,15,662	13,68,000				

A. Cont'ts of Law	44,62,000	43,65,401	43,63,245	43,06,925	44,15,419	44,48,000
B. Jails	6,07,000	5,43,506	5,99,463	6,39,567	6,24,612	6,78,000
20. Police	41,92,000	45,59,242	45,82,672	45,35,043	46,55,644	52,41,000
21. Marine	23,000	25,730	32,944	51,425	37,843	41,000
22. Education	15,22,000	14,56,719	14,98,202	15,63,127	16,50,079	18,00,000
24. Medical	12,99,000	13,01,737	12,81,255	12,17,685	12,78,100	13,90,000
25. Political	...	...	3,66,935	3,73,035	3,51,087	3,62,000
26. Scientific and other	1,86,000	1,70,571	1,72,730	1,54,174	1,65,411	2,21,000
Minor Departments	...	...	...	...	...	...
29. Superannuation Allow-	12,95,000	13,86,343	14,21,959	14,66,109	15,28,295	15,46,000
ances and Pensions	...	...	...	...	...	...
30. Stationery and Printing...	5,84,000	6,62,409	5,82,871	5,97,683	6,15,235	6,28,000
32. Miscellaneous	1,73,000	1,85,732	4,29,413	1,64,363	1,67,100	2,16,000
37. Construction of Railways	...	...	...	...	...	11,50,000
38. State Railways, Interest	...	...	...	...	...	5,000
on Debt.	...	...	...	...	...	...
41. Railway Surveys	...	18,504	—6,375	...	9,107	...
43. Irrigation Minor Works	...	...	...	2,56,280	2,59,598	75,000
and Navigation	...	...	...	...	...	...
45. Civil Works:—	43,000	44,684	40,191	18,166	10,507	11,000
Civil officers	...	40,33,991	36,77,266	36,34,098	40,28,756	40,81,000
Public Works Officers	28,55,000	6,22,502	6,34,998	5,54,925	6,88,483	7,29,000
Contributions	4,64,000	...	...	...	...	...
Total Expenditure.....	2,76,63,000	2,94,12,654	2,97,47,833	3,01,33,930	3,06,55,330	3,33,71,000
Closing Balance.....	...	52,44,033	54,27,256	58,40,867	46,04,869	27,49,869
Grand Total.....	...	3,46,56,687	3,51,75,089	3,59,74,797	3,52,60,199	3,61,20,869

A few words by way of explanation may be offered here to show how the five years' contract was worked under the new arrangements. This explanation refers chiefly to the expenditure side of the provincial account.

The expenditure under this head was fixed in the contract at Rs 1,55,000 for the Refunds and provincial share. This amount was Draw-backs exceeded each year. The whole excess in five years was expected to be $1\frac{1}{2}$ lacks more than the contract figure. The division of the refund charge under all heads was made on the same principle as the division of the main revenue and expenditure heads to which the refund belonged.

The contract figure for the provincial expenditure under this head was 14 lacks, made Assignments and up of Rs. 7,58,000 paid to Inamdaras Compensations. and other grantees, Rs. 3,39,000 for Devasthan and Varshasan, the Devasthan payments being $2\frac{1}{2}$ lacks, and the Varshasan about Rs. 80,000. Three lacks more represented compensation on account of salt, excise and opium arrangements with Native States. In the course of five years, the charge under the first two heads remained very near the assigned figure, but under the third head of compensations, it increased by half a lack before 1890-91, and was $1\frac{1}{2}$ lacks more in the Budget estimate for 1891-92.

For the purposes of the contract, the total land revenue was assumed to be 3 crores Land Revenue. and 28 lacks, which was shared between the Supreme and the Local Governments in the proportion of $\frac{3}{4}$ ths and $\frac{1}{4}$ th. The provincial share was thus 82 lacks. The alienated land revenue was not shared, but belonged wholly to the Provincial Government. Its amount was 81 lacks. There was besides a fixed allotment of Rs. 81,87,000 made from the imperial share of land revenue to equalize the total provincial receipts and provincial expenditure. In the course of five years, owing to new settlements

in several Districts, recovery of arrears, sale of waste lands, and extension of irrigation, the provincial share of the land revenue increased from 82 lacs in 1887 to 90 lacs in 1891, and the imperial share from 246 lacs to nearly 270 lacs. The total increase was thus nearly 32 lacs in five years. The actual increase in the receipts from the provincial share of land revenue was 30½ lacs, out of which 17½ lacs were paid to the Imperial Government, and the net gain to provincial revenue was 13 lacs. As regards charges, the fixed contract amount was 57½ lacs per year, out of which 29½ lacs represented the cost of the District Establishments, 9 lacs of the Survey and Settlement Departments, Rs. 50,000 represented the charge for land Records and Agriculture and the charge for allowances to Village and District officers was 18½ lacs. Of the allowance paid to village officers, the actuals for 1890-91 showed that about 5 lacs were paid to Patels, about 10 lacs to Kulkarnis or village accountants, 1½ lacs to other village servants, and about 2 lacs were paid for contingencies. In regard to the charges for District Administration amounting in all to 29 lacs, the Collectors' general Establishment charges came to about 13½ lacs, the sub-divisional or Mamlatdars' Establishment charges were 12 lacs, and the Contingencies came to about 3 lacs.

The receipts and expenditure under this head belong to the Imperial Government wholly, except a small provincial receipt of Rs. 24,000 of a very miscellaneous character. This is made up of fines and forfeitures, which belong to the provincial Government.

The receipts under this head were $\frac{3}{4}$ ths Provincial Stamps and $\frac{1}{4}$ th Imperial. The total contract figure was Rs. 45,80,000. The receipts rose to 49 lacs in 1887, 50 lacs in 1888, 52½ lacs in 1889, and 53½ lacs in 1890, and the budget estimate for 1891 was 54 lacs. The total surplus in five years was 22 lacs. The expenditure under this head was fixed at nearly 2 lacs, $\frac{1}{4}$ th being Imperial,

and $\frac{3}{4}$ ths Provincial. The charge has not much increased in the course of the five years' term of the contract, the total excess being only Rs. 70,000. Out of the total stamps revenue of 1890-91, about 18 $\frac{3}{4}$ lacks represented the yield of General stamps, 29 $\frac{1}{2}$ lacks of Court-fee stamps, and 5 lacks of impressed stamps.

The contract figure for receipts under this head was 91 lacks, out of which $\frac{3}{4}$ ths were Excise. Imperial, and $\frac{1}{4}$ th Provincial. This revenue increased from 91 lacks to nearly 100 lacks in 1890-91. The actuals of 1890-91 show that this sum of 100 lacks was made up of 88 lacks raised from Licenses and Distillery fees and duties &c., about 11 lacks from transit duties on opium, and gain on sale proceeds of opium, and about Rs. 70,000 were received as fees and fines. The total surplus gain to the Provincial revenues was nearly 7 lacks in five years. The charges under this head were fixed at Rupees 2,58,000, out of which $\frac{3}{4}$ ths were Imperial, and $\frac{1}{4}$ th Provincial. The charges increased in five years about a lack, and the total excess expenditure was nearly 3 lacks during the period.

This head, like salt, is wholly an Imperial item, Customs. The Provincial receipts fixed at Rupees 36,000, are very insignificant, and call for no remark.

The contract figure for receipts under this head Assessed Taxes. was Rupees 28,10,000, half of which was Imperial, and half Provincial. This item developed considerably in the course of five years. The figure in 1890-91 of actual receipts was 33 $\frac{1}{3}$ rd lacks. The surplus for the Provincial share in five years exceeded 11 lacks. The charges under this head, estimated at Rupees 45,000, are half Imperial, and half Provincial and bear a very small proportion to the receipts. These charges slightly increased in five years, the total excess being about Rs. 24,000.

This head is half Imperial and half Provincial,

Forest. The contract figure was 31 lacks. The receipts in 1890-91 were 32 lacks. The total surplus in five years was expected to be over one lack. The charges on account of forest were fixed at 18½ lacks—half Imperial and half Provincial. They were fairly kept down during the five years' term. Out of the total charge, about 10 lacks represented the charge of conservancy and works, and about 8½ lacks the cost of the Establishment. The net gain to the Provincial Revenue under this head was about one lack.

The receipts under this head were fixed at Registration. Rs. 3,93,000—half Imperial, and half Provincial. They rose to nearly five lacks in 1890-91. The total gain in five years was expected to be two lacks. The expenditure under this head was fixed at Rs. 2,52,000—half Imperial, and half Provincial. The expenses increased to Rs. 2,90,000 in 1890-91. The total excess of expenditure was about one lack, which reduced the net gain on the Department to one lack of Rupees.

These heads call for no remarks as they are chiefly Imperial, excepting very insignificant receipts and expenditure entered in the Provincial account. The contract provincial figure for Interest, Post Office and Telegraph, was Rs. 57,000, being chiefly the interest of certain Educational and Medical Endowment Funds. During the period of the contract, considerable additions were made to this item on account of the introduction of the Provincial loan system. This increase in receipts was balanced by a corresponding increase in charges.

Under Post Office, the cost of the District Post Office establishment is debited to the Provincial account, being about one lack of Rupees per year. It also includes a subsidy paid to Messrs. Sheppard's Company.

Under Telegraph, there is a small Provincial line from Kolhapur to Ratnagiri, with branches to

Chiplun and Rajapur. These exhaust the chief revenue items with their corresponding charges.

The remaining heads are chiefly expenditure General Adminstration heads, the revenue receipts being very insignificant. The chief item in this class is General Administration.

The contract charge was Rupees 12,56,000, and it rose to Rs. 13,15,000 in 1890, and the Budget figure in 1891 was Rs. 13,68,000, being an increase of one lack in five years. The salary of the Governor and his staff, with household expenses, was fixed at two lacks. The expenditure from contract allowances was fixed at Rs. 93,000, and the Tour expenses were fixed at Rs. 15,000. The charges of the Executive Council were fixed at $1\frac{1}{4}$ th lacks, and the Secretariat charges were $4\frac{1}{3}$ rd lacks. The cost of the Commissioners and their Establishments was $3\frac{1}{2}$ lacks, and the cost of the Audit and Account Departments was Rs 38,000.

The receipts under this head were fixed in the contract at Rs. 2,85,000, out of which Law and Justice the principal item was fees and fines,—

Rs. $2\frac{1}{4}$ th lacks. This receipt increased by nearly one lack in five years. The total surplus expected was $4\frac{1}{2}$ lacks in five years. The charges under this head were fixed at the time of the contract at $44\frac{2}{3}$ rd lacks. In the course of five years, this limit was fairly maintained. The charge for the High Court was between 6 and $6\frac{1}{2}$ lacks; the Law officer's charges were $1\frac{3}{4}$ th lacks; the charge for Civil and Sessions Courts, including Subordinate Judge's Courts, was $19\frac{1}{2}$ lacks; the charge for Small Cause Courts was $2\frac{1}{2}$ lacks; for Criminal Courts, including Magistrates of all classes and Mamlatdars, the charges were $13\frac{1}{3}$ rd lacks. This last figure represents only half the cost of the District Establishment, the other half being debited to the Land Revenue head on account of the revenue duties performed by these officers. The cost of the Presidency Magistrate and Coroner's Court was one lack. One half of the total charge of $6\frac{1}{2}$ lacks for the

High Court represented the salary of the Judges, and the other half the cost of the Establishment. Out of the total charge for Civil and Session's Courts, about $7\frac{1}{4}$ lacks represented the charge for District Courts, and between 7 and 8 lacks represented the charge for the Subordinate Judge's Courts. The charge for the Presidency Small Cause Court was Rs. 1,60,000, and for the Mafussil Small Cause Courts Rs 80,000.

The receipts from Jails were fixed at Rs. 2,35,000.

Jails. They did not reach that amount in any year during the term of the contract, and the loss expected was $1\frac{3}{4}$ th lacks on this account. The total charge for Jails was fixed at 6 lacks. This limit was fairly maintained, the excess being only Rs. 50,000. The net loss on this head, taking revenue and expenditure together, was $2\frac{1}{4}$ th lacks.

The contract figure for receipts under this head Police. was Rs. $2\frac{3}{4}$ th lacks. The actual receipts were in excess of this figure, and the net gain was expected to be Rs. $3\frac{1}{2}$ lacks in five years. The charge for Police was fixed at Rs. 45,81,000, out of which nearly 3 lacks represented the cost of the Presidency city Police; the cost of the District Executive Force, including the special Police, was about 39 lacks; about $3\frac{1}{3}$ rd lacks represented the cost of the Village Police, and Rs. 40,000 represented the cost of the Railway Police. This latter amount increased to Rs. 87,000 in 1890. The Village Police charge was also increased by Rs. 60,000. The Special Police charge increased from 4 to 6 lacks, and the executive District Police charge was maintained at $32\frac{1}{2}$ lacks. Out of this sum, about three lacks represented the salaries of the Officers, $23\frac{1}{2}$ lacks represented the charge for the men, about half a lack represented allowances, and $3\frac{1}{4}$ th lacks represented the charge for supplies &c. services and contingencies. The Special Police appears to be maintained in Mahi-kantha, Reva-kantha, Palanpur and other Gujrath States. Taking the receipts and charges together, the net loss to Provincial

Revenue under this head was expected to be 3 lacks.

This is a minor head, the receipts being fixed at Marine. Rs. 50,000, and the expenditure at Rs. 23,000. Both the receipts and the charges increased in five years by about Rs.13,000.

The receipts under this head were estimated at 3 Education. lacks in the contract. In the course of five years, they were on an average $2\frac{3}{4}$ th lacks. The charges under this head of contract were fixed at Rs. 15,22,000. They rose to $16\frac{1}{2}$ lacks in 1890, and the Budget estimate in 1891 was 18 lacks. The direction and inspection charges were about $2\frac{3}{4}$ th lacks, and were fairly maintained at that figure. The charge for Colleges, general and special, was fixed at Rs. 2,70,000, and was only Rs. 2,50,000 in 1890, and also in 1891. The charge for Government Schools was Rs. 4,70,000, being made up of Rs. 3,70,000 for general schools, and one lack for special schools. The charge for Secondary schools was on an average $3\frac{1}{2}$ lacks, and for Primary Schools $1\frac{1}{4}$ th lacks, the two together being $4\frac{3}{4}$ th lacks, while the charge for special schools rose to $1\frac{1}{4}$ th lacks in five years. The charge under grants-in-aid and payment by results was fixed at $4\frac{2}{3}$ rd lacks, and was well kept under the contract figure. Out of this sum, about two lacks represented payment by results. The grants-in-aid to Colleges amounted to about Rs.40,000, and to Secondary schools Rs. 49,000 and to special schools about Rs. 35,000. The contributions to Local Funds for Schools and School Buildings were fixed at 3 lacks, but were greatly exceeded, the total amount being about 19 lacks in five years. The grant for Government scholarships was Rs. 30,000. Taking Revenue and Expenditure together, the net loss to Provincial accounts was estimated at $4\frac{1}{3}$ rd lacks under this head.

The receipts under this head were fixed in the Medical. contract at Rs. 75,000. They rose Service. in five years to Rs. 1,13,000 which was the figure for 1890. The total

gain in five years was $1\frac{1}{2}$ lacks. The charges under this head were fixed at the time of the contract at 13 lacks, and they were fairly kept down to that limit during five years. This charge included about Rs. 2,80,000 for Medical Establishment. For Hospitals and Dispensaries the charge was fixed at $6\frac{1}{3}$ lacks, for Sanitation and Vaccination the sanctioned amount was Rs. 1,78,000, for Medical school and College Rs. 55,000, for Lunatic Asylums one lack, for the Chemical Examiner's Office Rs. 24,000, and for Lock Hospitals Rs. 23,000. Most of the heads showed stationary figures, except the charge for Schools and Colleges, which greatly exceeded the amount sanctioned, being nearly three times that amount; but this increase was counter-balanced by the savings in the charge for Hospitals and Dispensaries of one lack per year on the sanctioned grant. These differences were chiefly due to readjustments of the salaries paid to the Professors of the Grant Medical College, which were deducted from the charge for Hospitals, and debited to the charge for Colleges and Schools. Taking revenue and expenditure together, the net gain under this head was $2\frac{1}{3}$ rd lacks.

This head was for the first time made a Provincial Political charge in 1888. The Contract figure was Rs. 3,70,000. The Kathiawar Political Agency represents a charge of Rs. 1,62,000, that of Cutch,—Rs. 33,000, of Thur and Parkar,—Rs. 31,000, of Mahi-kantha and Palanpur,—Rs. 71,000, of the Southern Maratha Country,—Rs. 25,000, and for minor Agencies,—Rs. 24,000. The total charge for these Political Agencies provincialized was $3\frac{1}{2}$ lacks. The other items under this head were Darbar presents,—Rs. 11,000, Entertainments to Chiefs,—Rs. 3,000, and Miscellaneous,—Rs. 12,000. The Cost of the Agencies in charge of Baroda, the Persian Gulf, Aden, and the Somali Coast, were not provincialized under this arrangement. The Contract figure under this head was fairly maintained in five years.

The receipts under this head were fixed at the time of the contract at Rs. 21,000. They greatly exceeded this figure, the average being double the contract figure. The charges under this head were fixed at Rs. 1,86,000. This limit was fairly maintained during the period of the contract. This charge included Rs. 16,000 for Observatories, Rs. 39,000 for Model farms, Rs. 70,000 for Veterinary charges, including Bull and Stallion charges and the charge for the Veterinary College and School, Rs. 11,000 for Botanical gardens, Rs. 8,000 for Miscellaneous, Rs. 5,000 for Exhibitions and Fairs, Rs. 11,000 for Inspection of Factories, and Rs. 8,000 for Public Museums.

The receipts under this head were fixed at Rs. 1,60,000. They greatly exceeded that amount, and rose to $2\frac{1}{2}$ lacks in 1890. The increase was due to the transfer of a number of schools from Local Funds to Municipalities, from which Pension Contributions were received for teachers employed in schools. The charges under this head were fixed at Rs. 12,95,000. They rose very considerably in amount, till in 1890 they reached $15\frac{1}{4}$ th lacks. The expected loss in five years was $8\frac{3}{4}$ th lacks. Deducting the surplus receipts of $3\frac{1}{4}$ th lacks, the net loss under this head was $5\frac{1}{2}$ lacks.

The receipts under this head were fixed at Rs. 44,000. They slightly improved in five years, resulting in a surplus of Rs. 70,000. The charges were fixed at Rs. 5,84,000, and rose to Rs. 6,15,000 in 1890. Of this amount, the Stationery office charges cost Rs. 33,000, Government Presses cost 3 lacks, and Stationery supplies from Central Stores cost $2\frac{1}{2}$ lacks. The total excess in charges was about Rs. 66,000 in five years.

Scientific and
Minor Departments.

The receipts under this head were fixed at Rs. 56,000 at the time of the contract, Miscellaneous, and rose to Rs. 96,000 in 1890. This increase was chiefly due to the writes-off of unclaimed deposits in the Administrator General's Department, Dead Accounts of the Government Savings Banks, fees for Government Audit, as also fees for the Public Service Certificate Examination, and sale of Darbar presents. The charges under this head were fixed at Rs. 1,77,000. They were fairly kept down to that limit during five years. This charge included the cost of maintaining Traveller's Banglows,—about Rs. 10,000, Rents, Rates and Taxes,—Rs. 52,000, Rewards for destruction of wild animals,—Rs. 15,000, Charges on account of European Vagrants,—Rs. 9,000, cost of books purchased,—Rs. 5,000, subscription to Periodicals,—Rs. 14,000, and Rewards for proficiency in languages,—Rs. 10,000. In 1888-89, the Crawford Commission of inquiry cost $2\frac{1}{2}$ lacks under this head, and in 1887 the Jubilee celebration cost Rs. 5,600. The loss to Provincial Revenue under this head in five years was about $2\frac{3}{4}$ th lacks.

This head was opened in the Provincial Account in 1889, chiefly to include the receipts and charges of the Gokâk and Navigation. Canal works, which were provincialized wholly both for charges and receipts. The receipts were about Rs. 10,000 in the last two years of the contract, and the capital expenditure $2\frac{1}{2}$ lacks in the same years. The total expenditure was very nearly 6 lacks, and the receipts were about Rs. 33,000.

The receipts under this head were fixed at the time of the contract at Rs. 7,21,000. They Civil Public Works. rose to about Rs. 8,16,000 in 1890, and the expected surplus was $3\frac{1}{2}$ lacks in five years. The expenditure under this head was fixed at nearly 29 lacks, out of which Establishment charges were $8\frac{1}{2}$ lacks, the charge for tools and plant,—

Rs. 25,000, the charges for repairs,—Rs. 12,80,000, and those for original works,—Rs. 7 lacks. The actual expenditure under the head of original works exceeded greatly the figure laid down in the contract. The sum spent on original works in 1887 was 18 lacks. In the next two years the expenditure was slightly over 14 lacks each year, and in 1890 it was $18\frac{1}{3}$ rd lacks. The Budget figure in 1891 was $19\frac{1}{2}$ lacks. Under repairs, the sanctioned contract limit laid down was not much exceeded, but under Establishment charges, there was some excess in two years. The total excess of expenditure over the contract figure was 51 lacks in five years, and deducting surplus receipts the excess loss was slightly more than $47\frac{1}{2}$ lacks.

This head was only opened in 1891-92 for the Construction of Hyderabad-Umarkot Railway, and Railways. needs not be noticed here. Similarly miscellaneous Railway expenditure, chiefly on account of surveys, was incurred in two or three years which calls for no notice.

Contributions from Local to Provincial, and from Provincial to Local, revenues are adjustment items which vary from year to year. The contract figure of the first class—contributions from Local to Provincial—was fixed at Rs. 17,000, but it rose to $1\frac{3}{4}$ lacks in 1890. Of this amount Rs. 44,000 were contributions to Public Works, Rs. 66,000 represented the charge of Local Funds Establishment in Collectors' offices, Rs. 15,000 represented the charge of the Accountant General's Local Fund Establishment, and Rs. 4,000 were the charge of the Commissioner's Local Fund Establishment. The contract figure for the second class—contributions from Provincial to Local was—Rs. 4,64,000, and it rose to nearly 7 lacks in 1890. This total is made up of (1) the Contribution in lieu of the one anna cess, on Abkari Revenue,—Rs. 1,55,000.

(2) Contributions to schools and school-buildings which amounted to nearly $4\frac{1}{2}$ lacks. (3) Grants for Local Public Works which ranged from one lack in 1887-88 to Rs. 44,000 in 1890. (4) Special Contributions to the Agricultural class, Bund Gardens, Grants for village sanitation, and Horse shows, which ranged from Rs.30,000 to Rs. 43,000. The total excess charge under this head is expected to be about $9\frac{2}{3}$ rd lacks. This completes the review of the expenditure side of the working of the contract for the five years, 1887-1891. The opening balance, as stated above, was nearly 55 lacks. The total receipts were 15 crores and 5 lacks, and the total expenditure was 15 crores and 33 lacks, leaving a closing balance of $27\frac{1}{2}$ lacks as the result of the five years' working of the contract, and this result was arrived at after paying $17\frac{1}{2}$ lacks to the Imperial Government, and spending nearly 60 lacks on Public Works and Railways. Taking the items separately, the net excess receipts and the net excess expenditure will be seen from the following statement :—

Excess Receipts.	Rs.	Excess Expenditure.	Rs.
Land Revenue	... 68,41,437	Refunds ...	1,48,337
Salt	... 1,10,322	Assignments and Compensation ...	7,73,266
Stamps	... 21,47,865	Post Office ...	13,157
Excise	... 8,01,107	General Administration ...	2,05,644
Customs	... 43,963	Jails ...	2,20,527
Assessed Taxes	... 11,43,008	(a) Police ...	25,15,123
Forests	... 1,06,609	Marine ...	15,700
Registration	... 1,19,603	Education ...	4,84,690
Interest	... 40,790	(b) Political ...	14,52,327
Telegraph	... 7,351	Superannuation ...	5,49,694
Courts of Law	... 8,71,632	Miscellaneous ...	2,58,290
Medical	... 177,523	Irrigation Works ...	5,57,001
Scientific	... 1,69,258	Civil Works ...	47,48,676
Stationery and Printing	... 3,347	Construction of Railways ...	11,50,000
		Railways Surveys ...	21,236
		State Railways and Interest on debit	5,000
		Contribution to Local Funds ...	4,55,056
The Provincial balances were drawn on to the extent of	27,39,909		1,95,73,724
The Imperial Government resumed Balance	1,53,23,724 17,50,000		1,35,73,724

This statement shows that the principal heads of Revenue were in a very prosperous condition during the five years' period of the contract.

CHAPTER VII.

THE FIFTH PROVNCIAL CONTRACT.

In the previous Chapters we traced the growth of the policy of the Decentralization of Provincial Finance. The first limited step in this direction was taken in 1871, when certain minor heads of expenditure were made provincial, and the Local Governments were invested with the powers possessed by the Government of India of sanctioning expenditure, and they were required to keep the total provincial expenditure within the amount assigned, for all the heads transferred, plus any savings from that amount effected in previous years. The success of the experiment led to its further extension in 1877, when some revenue heads were also transferred along with most of the expenditure heads, the deficiency being made up by a lump assignment of a fixed sum from the Imperial Treasury, and the Local Governments were allowed a free hand, not only with respect to savings effected, but also in regard to increases in the assigned revenues during the term of the contract. Later on in 1882, and again in 1887, a still further developement took place of the same policy with this distinction that most of the revenue heads transferred to the Local Governments were shared between the Local and Imperial Governments, and the expenditure under these heads was also similarly shared, and the deficiency between income and expenditure was made up by a fixed lump assignment from the imperial share of the land revenue. The wholly imperial heads of revenue represented by the Opium, Salt, and Customs receipts, and the wholly imperial heads of expenditure under Post, Telegraph, and Mint, were, with slight exceptions, not included in any of these arrangements relating to the Decentralization of Provincial Finance. Similarly, Tributes from Native States, Political or Territorial Pensions, Interest on the national debt, Guaranteed and State Railways and

reproductive Irrigation works, were excluded from these arrangements, both in respect of revenue and expenditure. The Military expenditure also under all heads was kept wholly imperial, and was not provincialized. These are the leading stages in the history of the growth of provincial finance. At each renewal of the contract, the Imperial Treasury was benefited by considerable deductions in the total expenditure transferred, and it levied besides extraordinary contributions in times of difficulty, which were in some cases repaid back to the Local Governments.

The current contract was entered into in 1891-92. The Resolution, No. 1142, of the Government of India on the subject was passed on 17th March 1892, and it stated that in supersession of all previous orders, it is directed that the powers vested in Local Governments by this Resolution were subject to the general supervision and control of the Government of India, and that Government expressly reserved to itself the right of issuing instructions to Local Governments on general or particular matters affecting the transferred revenues and services when it deemed such interference expedient. Besides this general limitation, more particular limitations were also imposed. (1) Without the previous sanction of the Government of India, no additional taxation was to be imposed, and no changes made in any existing system of revenue management. (2) Similarly, no new general service or duty should be undertaken by the Local Government without previous sanction. (3) Whenever the local Government desired to undertake a new service or duty, it must satisfy the Government of India that it was able to provide funds for the same. (4) No new appointment should be created, and no old appointment abolished or reduced, without previous sanction, when the pay of the post exceeds more than Rs. 250 a month, and the same limitation applied to the additions that might be made to the pay and allowances of any officer, if such additions exceeded Rs. 250 a month.

(5) If such additions or the increased pay or allowance exceed Rs. 250 a month, no class or grade of officers should be created or abolished, and the pay of no class or grade of officers should be reduced or raised without the sanction of the Government of India. (6) The rates of discount upon the retail sale of stamps or Court-fee labels should not be altered without previous sanction. (7) So also the rates of duty on spirits and drugs should not be altered, especially in districts bordering on other Provinces, when such alteration was likely to affect the Excise arrangements in neighbouring Provinces. (8) No addition should be made to the pay or allowances of any individual officer or class of officers, if such addition might lead to increase in the emoluments of any Public servant doing duty in the same Province, whose pay and allowances were not charged under any of the transferred heads of services. The Government of India might forbid such alterations, if they were likely to lead to inconveniences in other Provinces. (9) No money should be removed from the public Treasury for investment or deposit elsewhere, and the Government of India retained in its own hands absolute and unconditional control over all money in the Public Treasury. The Local Government should not withdraw any such money except for public expenditure. This prohibition applies to Local fund balances as much as to provincial funds, but the order does not apply to Municipal or Port funds or trust or endowment funds of any kind. (10) No alteration should be made in the form or procedure of public accounts. The Controller General should ordinarily decide the proper classification of an item in the accounts, and the Local Government should not issue, without the previous sanction of the Government of India, any order directing the division of a charge between two or more heads of account. (11) No services previously rendered to other Departments by the provincialized Departments should be diminished, and no services

rendered to the provincialized Departments by other Departments should be increased, without the sanction of the Government of India. (12) No lines of through communication should be abandoned or allowed to fall out of repairs. (13) Inter-provincial adjustments are forbidden, and it is directed that provincial revenues and expenditure shall consist of revenues and expenditure recorded under the heads made provincial in the books of the account officers of the Province. (14) The Local Governments were directed to maintain balances of the following minimum amounts:—

In Bengal,	...	...	...	} Rs. 20 Lacks.
North-west Provinces, and Oudh,				
Madras ...	...	...	...
Bombay...	...	...	...	" "
In Panjab	...	...	...	" 10 "
In Central Provinces	...	...	...	" 8 "
In Lower Burmah	...	...	...	" 6 "
In Assam	...	...	...	" 5 "

The Accountants General in each Province should report to the Local and Imperial Governments when they find it likely that any transactions of the Local Government will lead to the reduction of the minimum amounts. (15) The Local Government may sanction loans and advances, under orders contained in Resolutions, Nos. 13 and 14, dated 1st January 1889, and Nos. 417 and 419, dated 24th January 1890, but they should not, without the special orders of the Government of India, sanction any other loans of public money. (16) When the Local Government proposes to provide, in the estimate for provincial expenditure, sums largely in excess of the provincial revenues, i. e. when it proposes to incur considerable expenditure out of the previous balances, it should forward its proposal to the Government of India for separate consideration in advance of the estimate. (17) Public money should be

disbursed for public objects only, and the public fund should not be used for the advantage of any individual or body of private persons, unless in accordance with some declared rule or principle recognized by the Government of India. The audit officers should challenge any infringement of this principle, and if the Local Government does not accept the view taken by the audit officer, it should submit his representation to the Government of India for its final orders.

(18) The standing orders and rules of the Supreme Government, particularly the rules in the Civil Service Regulations, the Code of the Public Works Department, and the Civil Account Code, should be observed by the Local Governments. (19) The Local Governments should exercise the powers vested in them under the ordinary rules of the Budget system, in other words they should not sanction any expenditure during a year in excess over the Budget grant for any provincial major head without effecting re-appropriation, i. e. without reducing the sanctioned grant under some other head by the amount in excess. Similarly if the head is divided in a fixed proportion between imperial and provincial, it should not sanction excess expenditure over Budget grant, unless it can effect re-appropriation from other heads under its control, to provide for the imperial and provincial portion of the excess. Moreover, unless it has obtained previous sanction to a supplementary grant, or can effect re-appropriation from the grant for local expenditure under its control, the Local Government should keep the total provincial expenditure under all heads within the total Budget grant of the year for that expenditure.

Subject to the general and special limitations mentioned above, the new contract came into force from 1st April 1892. Though not free from objections, the word contract was used, for the sake of convenience, to describe the arrangements made with the Local Governments, under which the Government of India,

with a view to secure more efficient administration, delegates to Local Governenments for a time, and under conditions, some of its powers in respect of certain revenues and expenditure. The contract is a consolidated one, and rests on the general undertaking that for any increased expenditure the Local Governenments must depend on the expansion of its revenues, or a more economical distribution of its funds, and that on the other hand, no demands outside the contract will be made on its resources under ordinary circumstances. The classification of revenue and expenditure as between imperial and provincial heads under this contract follows for the most part that adopted under the last Contract (1887-1891). The most important changes introduced were (1) that all inter-provincial adjustments were to cease. If any charges of an exceptional nature, which ought to be borne by one province, are paid in another province, the question of a corresponding adjustment between the two provinces would be specially dealt with by the Government of India. (2) Railway Police expenditure was made wholly provincial under the new contract. (3) The charges of the Inspector General of Jails, Registration and Stamps, and of his general establishment, which were formally divided among the three heads (Jails, Registration and Stamps), were under the new contract transferred to the head of General Administration, and made wholly provincial. (4) The establishment charges of the Accountant General's Office were made an imperial charge. (5) Extraordinary miscellaneous items not exceeding Rs. 10,000 were made provincial.

The following statement will furnish full information as to the detailed distribution of revenue and expenditure items made over to the Provincial Government for management and control, both under major and minor heads:—

REVENUE.

MAJOR HEAD.	MINOR HEADS.	PROVINCIAL SHARE.
I. Land Revenue.	{"Assessment of alienated lands less quit-rent".} All other minor heads.	The whole. One-fourth.
II. Salt...	{"Rents of Warehouses." "Fines and forfeitures." "Miscellaneous."}	{The whole.
IV. Stamps	... All.	Three-fourths.
V. Excise	... All.	One-fourth.
VII. Customs	{"Ware-house and wharf-rents." "Miscellaneous."}	The whole. Items classified as Provincial in 1891-1892.
VIII. Assessed Taxes.	All, except "Tax on surplus profits of Railway Companies"	One-half. ...
IX. Forest	... All.	One-half.
X. Registration	All.	One-half.
XII. Interest	"Interest on loans to Municipalities and other public bodies (excluding Presidency Corporations)." "Interest on loans to land holders and other notabilities." "Interest on advances to Cultivators." "Interest on advances under Special Laws." "Interest on Government Securities."	The whole.
XIII. Post Office	"District Post Collections." ...	The whole.

REVENUE.—*Continued.*

MAJOR HEAD.	MINOR HEADS.			PROVINCIAL SHARE.
XVI A. Law and Justice— Courts of Law ...	All. ....	... The whole.		
XVI B. Law and Justice— Jails ...	All. ....	... The whole.		
XVII. Police ...	All. ....	... The whole.		
XVIII. Marine ...	All. ....	... The whole.		
XIX. Education ...	All. ....	... The whole.		
XX. Medical ...	All. ....	... The whole.		
XXI. Scientific and other minor Departments.	All. ....	... The whole.		
XXII. Receipts in aid of super- annuation, retired and compassion- ate allow- ances. ...	“ Contributions for pen- sions and gratuities ” “ Miscellaneous.” ...	... } The whole,		
XXIII. Stationery & Printing.	All. ....	... The whole, except re- ceipts for the value of supplies from Central stores to Railways and to the Berar Administra- tion, Local Funds, Municipalities, and other Independent bodies.		

REVENUE.—*Continued.*

MAJOR HEAD.	MINOR HEADS.	PROVINCIAL SHARE.
XXV. Miscel- laneous	" Extraordinary items." " Fees for Government Audits." All other minor heads except— " Gain by Exchange." " Premia on Bills." " Unclaimed Bills of Ex- change." " Recovery of Insurance and other charges on English stores." " Revenue of Berbera and Bulhan," and " Revenue of Zaila."	Items not in excess of Rs. 10,000. Items classified as Provincial in 1891- 1892. The whole.
XXVI. State Rail- ways.	Hydrabad-Umarkot Rail- way.	The whole.
XXX. Minor works and Navi- gation.	Gokak Canal, 1st Section, including storage works	The whole.
XXXII. Civil works	All.	The whole.
Contributions...	Contribntions from Local	The whole.

EXPENDITURE.

MAJOR HEAD.	MINOR HEADS.	PROVINCIAL SHARE.
1.—Refunds... ...	The heads of which the corresponding receipts are wholly or partially Provincial.	The same share as in the case of the corresponding heads of receipt.
2.—Assignments and Compensations. ...	"Excise Compensations" } All other heads except— "Goa Subsidy." "Salt pans in Portuguese India," and "Customs Tariff Compensations"	One-fourth. The whole.
3.—Land Revenue.	All.	The whole.
6.—Stamps	All.	Three-fourths.
7.—Excise	All.	One-fourth.
10.—Assessed Taxes	All.	One-half.
11.—Forest	All.	One-half.
12.—Registration ...	All.	One-half.
13.—Interest	"Interest on Provincial advance and Loan Accounts."	The whole.
15.—Post office ...	"District Post Collections"— "Subsidies." "Refunds."	The whole.
18.—General Administration ...	"Civil offices of Account and Audit." All other minor heads, except— "Currency Department," "Reserve Treasury," and "Allowance to Presidency Banks."	"Local Fund Establishment. The whole.
19 A.—Law and Justice—Courts of Law	All.	The whole.

EXPENDITURE.—*Continued.*

MAJOR HEAD.	MINOR HEADS.	PROVINCIAL SHARE.
19 B.—Law and Justice— Jails ...	All,	The whole.
20.—Police ...	All.	The whole.
21.—Marine ...	All.	The whole.
22.—Education ...	All.	The whole.
24.—Medical ...	All.	The whole.
25.—Political ...	All, except.— “ Refugees and State Prisoners ” and the heads under which are recorded the expenditure at— Aden, Baroda, The Persian Gulf, and Berbera, Bulhar and Zaila. “ Veterinary charges.”	The whole.
26.—Scientific and other minor Departments.	All other minor heads, except— “ Census ” and “ Preservation and Translation of ancient manuscripts.”	The whole except the charges for the Bacteriological Laboratory, Poona, and the salaries and allowances of officers on the cadre of the Civil Veterinary Department.
29.—Superannuation allowances and Pensions. ...	“ Superannuation and retired Allowances,” “ Covenanted Civil Service Pensions,” “ Compassionate Allowances ” “ Gratuities,” “ Refunds.”	The whole.

EXPENDITURE.—Continued.

MAJOR HEAD.	MINOR HEADS,	PROVINCIAL SHARE.
30.—Stationery and Printing. ...	All, except "Stationery purchased for central stores."	The whole.
32.—Miscellaneous	Extraordinary items All other minor heads, except— "Charges for Remittance of Treasure," "Discount on Bills," and "Loss by Exchange."	Items not in excess of Rs. 10,000. The whole.
33.—Famine Relief ...	"Famine Relief charges"	The whole.
38.—State Railways Working Expenses	Hyderabad-Umarkot Railway.	The whole.
37.—Construction of Railways	All.	The whole, except in cases in which the outlay is specially incurred from Imperial Funds. But Provincial expenditure under these heads is permitted only under Special orders of the Government of India in regard to each Railway.
40.—Subsidized Companies.	"Land."	
41.—Miscellaneous Railway Expenditure.	"Surveys."	
43.—Minor works & Navigation.	Gokak Canal, 1st Section, including Storage works.	The whole.
45.—Civil works	All, except opium, salt, Mint, currency, Post office, Telegraph, and Baroda Residency Buildings and works on Somali Coast.	The whole.
Contributions.	Contributions to Local.	The whole.

Note.—In this schedule the only heads considered are Imperial and Provincial heads; the Local Revenue and Expenditure are not affected by it. The Provincial share is calculated on the gross collection, including the portion due to Irrigation.

The effect of the arrangements so made was broadly speaking, that the Provincial Government has to pay all charges connected with the collection of Land Revenue, and with the General Administration of the Presidency, and with what are known as the Civil Departments *i. e.* Law and Justice including Jails, Police, Marine, Education, Medical, Scientific and other Minor Departments with the exception of the Ecclesiastical, and certain items in the Political and Civil Veterinary Departments, Stationery and Printing, Famine Relief and Pensions &c, and for all Civil Works, except those connected with the Salt, Opium, Mint, Currency, Post Office, Telegraph and Imperial Political Departments. The Provincial Government also pays a share of $\frac{3}{4}$ ths of the expenditure under Stamps, of $\frac{1}{2}$ under Assessed Taxes, Forest and Registration, and $\frac{1}{4}$ th under Excise. *Per contra* the Provincial Government takes $\frac{1}{4}$ th of the receipts under Land Revenue, and all sums credited to the various Civil Departments under its administration, and a proportion corresponding to its share in the expenditure of the receipts under Stamps, Assessed Taxes, Registration, Forest, and Excise. It also receives some minor items under Salt and Customs (which are otherwise wholly imperial) and under Miscellaneous, and all payments on account of Contribution for Pension, and it bears the cost and takes the proceeds of the Hyderabad-Umarkot Railway, which is a provincial undertaking. Contributions paid to or received from Local Funds, and Interest due to or by the Provincial Government are also of course provincial. Refunds follow the heads of receipts to which they belong, and are wholly or partially provincial according as the receipts are provincial or imperial. Opium and Tributes from Native States are wholly imperial, while provincial rates are wholly provincial. Railway receipts and expenditure, except the Sind Railway mentioned above, and Irrigation receipts and expenditure except the Gokak

Canal, are wholly imperial, so also are the Military receipts and expenditure, which in fact do not form part of the Decentralization scheme. The total normal expenditure under the heads classified as above was taken at Rs. 3,89,53,000, and the total revenue at Rs. 3,12,39,000. The assignment required to produce financial equilibrium was fixed at Rs. 77,14,000, being about 10 lacks less than the assignment allowed under the old contract. This adjustment was to be made through the head of Land Revenue in accordance with the rules under the last contract.

CHAPTER VIII.
THE PROVINCIAL BUDGET.

RECEIPTS.

The following statement furnishes a summary view in thousands of Rupees of the Major heads of provincial revenue and expenditure for three years, being the actuals for 1891-92, the revised estimates for 1892-93, and the Budget estimates for 1893-94 :—

Major Heads of Revenue,	Major Heads of Expenditure.	Budget Estimates 1893-94.		
		Revised Estimates 1892-93.	Actuals 1891-92.	Revised Estimates 1893-94.
Provincial 4th share.	90,78	90,78	92,80	Refunds & Drawbacks Assigned ments.
Alienated ...	89,98	90,88	91,16	Cash. ...
Fixed allotment and adjustments.	92,44	77,49	77,32	Alienations. Compensations.
Salt ...	57	57	57	Cash. ...
Stamps ...	40,86	43,13	42,38	L a n d Alienations.
Excise... ...	25,64	25,75	25,50	Reve- nue.
Customs ...	40	42	42	Forests.
Assessed Taxes ...	17,03	17,63	17,82	StampS.
Forest ...	16,42	16,75	17,55	Excise ...
Registration ...	2,69	2,80	2,85	Assessed Taxes ...
Interest. ...	2,32	2,65	2,62	Forests ...
Post office. ...	1	...	...	Registrations ...
Telegraph. ...	4	...	...	Interest on ordinary debt ...
Law and Justice— Courts of Law ...	4,07	4,10	4,07	Post Office ...

Major Heads of Revenue.	Actuals, 1891-92.	Revised Estimates 1892-93.	Budget Estimates 1893-94.	Major Heads of Expenditure.	Actuals, 1891-92.	Revised Estimates 1892-93.	Budget Estimates 1893-94.
Law and Justice— Jails	2,19	2,00	1,98	Telegraph General Administration Law and Justice— Courts of Law...	... ... ... ...	13,62	13,79
Police	3,90	4,90	3,95	Do	43,95	43,74	44,64
Marine	69	69	70	Jails Cash Alienations.	6,36 48,42 4,83	6,40 47,03 4,87	6,85 50,27 4,87
Education	2,80	2,78	2,83	Police	...	...	...
Medical	1,18	1,21	1,17	Do	...	...	...
Scientific and other Minor Departments...	33	26	22	Cash	...	...	...
Receipts in aid of superan- nuation, &c. ...	2,36	2,24	2,24	Alienations.	43	41	42
Stationery and Printing	66	76	65	Marine.	...	...	...
Miscellaneous...	52	78	67	Education	16,36	16,35	17,41
State Railways...	...	65	1,40	Medical	13,28	13,92	15,16
Irrigation.	17	21	1,40	Political.	3,25	3,42	3,53
Civil Works. ...	7,51	7,88	7,88	Scientific and other Minor Departments	1,87	1,62	2,12
Contributions from Local to Provincial. ...	2,97	1,53	1,81	Supernannuity Allowances and Pensions.	15,53	16,07	16,41
				Stationery and Printing	5,84	6,80	7,57
				Miscellaneous ...	3,61	2,60	2,26

PROVINCIAL FINANCE.

95

Famine Relief...	2	3	5
Construction of Railways...	11,72	4,33	63
State Railways (working Expenses) ...	58	58	1,00
Miscellaneous Railway Expenditure ...	...	...
Irrigation. ...	1	...	
Civil Works ...	38	20	1,25
Contributions from Provincial to Local. ...	39,82	34,82	36,49
	9,11	7,94	8,75
Total ...	4,00,77	4,03,96	4,13,62
Opening Balance	35,58	35,58	22,73
Grand Total	4,36,35	4,39,54	4,36,86

A few explanatory remarks on each major head will not be deemed out of place here. These explanatory remarks will be confined chiefly to the Budget estimates of 1893-94, and the revised estimates of 1892 and the accounts of 1891 will only be referred to where necessary.

LAND REVENUE.

The Budget estimate of total land revenue was taken to be Rs. 4,54,76,000 and was made up (1) of ordinary land revenue, Rs. 3,69,95,000, (2) and miscellaneous, Rs. 1,25,000, (3) Assessment of alienated lands, minus quit rents, Rs. 91,16,000, (4) Rents of Fisheries, Rs. 94,000 (5) and miscellaneous, Rs. 67,000. The two last heads were Local, the third head was Provincial, while the first two were in the proportion of $\frac{1}{4}$ th provincial and $\frac{3}{4}$ ths Imperial,

The ordinary land revenue was composed of fixed collections and fluctuating (1) Ordinary Revenue. The fixed collections included 3 crores of ordinary land revenue and 54 lacks of Revenue from canals in Sind. The actuals for 1891-92 under both these heads were Rs. 2,93,44,230 of ordinary revenue, and Rs. 48,41,911 of Sind canal revenue. The fluctuating collections consisted of rents, Rs. 89,000, tree tax, Rs. 13,000, special assessment on cultivated land, Rs. 55,000, occasional items of fixed revenue, Rs. 1,40,000, authorised cultivation of unassessed lands, Rs. 1,47,000, sale of lands or occupancy rights, $5\frac{1}{2}$ lacks, produce of trees, $1\frac{1}{4}$ lacks, grass and grazing, Rs. 1,84,000, miscellaneous products, Rs. 17,000, unauthorized cultivation of occupation $1\frac{1}{4}$ lacks, fees for appropriating land to non-agricultural purposes, Rs. 40,000, notice fees, Rs. 40,000, fines under section 148 of the Revenue Code, Rs. 6,000, and other items, Rs. 18,000. These fluctuating collections made up

a total of nearly 16 lacks, the actual total in 1891-92 being about 15 lacks.

Miscellaneous revenue consists of revenue record room receipts, Rs. 38,000, sale (2)Miscellaneous. of unserviceable articles, Rs. 3,000, Bhatta and fees received from Courts, Rs. 5,000, Revenue fines, Rs. 7,000, overpayments recovered, Rs. 3,000, and recoveries of pay of Government servants and of expenditure incurred, Rs. 20,000, and other items about Rs. 50,000. The total under this head came to Rs. 125,000.

The receipts under this head come from non-service and service lands. Of non-(3)Assessment of alienated lands service lands, Inam lands represent receipts of $63\frac{1}{2}$ lacks, Varshasans and less quit rents. Devasthans 6 lacks, District and Village officers 7 lacks. Of service lands, the receipts from Village servants useful to Government come to about $12\frac{3}{4}$ lacks, from village servants useful to the village community the receipts come to 2 lacks. This head of receipt is only a nominal one, being more than covered by corresponding debits of $63\frac{1}{2}$ lacks under Inams, 7 lacks under payments to District and Village officers, 6 lacks to Varshasans and Devasthans, and 7 lacks to District and village officers, and 2 lacks to village servants. The imperial share of the total land revenue of 4 crores $54\frac{3}{4}$ lacks was arrived at by taking $\frac{3}{4}$ th of the ordinary and Miscellaneous land revenue after deducting 9 lacks on account of Irrigation transferred to the Irrigation head and 77 lacks for the fixed assignment. These deductions left the imperial land Revenue share at Rs. 1,91,87,000 in the Budget estimate of 1893-94. The provincial share of $\frac{1}{4}$ th of ordinary and miscellaneous land revenue plus the Assessment of alienated land plus the fixed assignment made up the total of Rs. 2,61,28,000.

The miscellaneous local consists of stone quarry (5)Miscellaneous. and sand receipts amounting to about Rs. 65,000.

OPIUM.

As regards opium, it is an Imperial receipt and is made up of opium pass fees estimated to yield one crore and $64\frac{1}{2}$ lacks and miscellaneous Rs. 50,000.

SALT.

The total Budget estimate of salt revenue was Rs. 2,26,11,000. Of this sum, 2 crores $25\frac{1}{2}$ lacks were Imperial and Rs. 57,000 were Provincial. The Imperial receipts under salt were made up thus nearly $7\frac{1}{2}$ lacks were received from customs duty on salt, $4\frac{1}{3}$ lacks were proceeds of sale of Government salt, and the excise duty on Government salt yielded 2 crores $13\frac{1}{2}$ lacks. Treaty price of salt carriage and freight represented Rs. 21,000. Of the Provincial salt receipts, fines and forfeitures came to about Rs. 2,000 and miscellaneous receipts, being Establishment and other charges recovered from salt farmers, and Contributions from Port Funds, sale proceeds and other items came to about Rs. 55,000.

STAMPS.

The budget estimate of the total Revenue from stamps for 1893-94 is $56\frac{1}{2}$ lacks, the actuals for 1891-92 being about $54\frac{1}{2}$ lacks. Of this revenue the Imperial share is $\frac{1}{4}$ th and the Provincial share is $\frac{3}{4}$ ths or nearly $42\frac{1}{2}$ lacks. Out of the total estimated receipts of $56\frac{1}{2}$ lacks, general stamps were expected to yield $19\frac{1}{2}$ lacks, Court fee stamps about $32\frac{1}{3}$ lacks, the duty on impressing documents was estimated to yield $4\frac{1}{5}$ lacks, fines and penalties about Rs. 13,000 and miscellaneous Rs. 2,000. Under the head of general stamps, one anna stamps for receipts and cheques were expected to yield about 2 lacks, and Bills of exchange and Hundi stamps were also put down at the same figure. The actuals in

1891-92 under these two heads showed a total of 4 lacks divided generally under the two heads. Foreign Bill stamps, special adhesive stamps and share transfer stamps together were estimated to yield Rs. 1,40,000. The bulk of the receipts under this head were derived from non-judicial stamps, estimated to yield 14 lacks, the actual yield in 1891 being $13\frac{3}{4}$ lacks. Duties on Impressing forms of Insurance policies and bills of lading were estimated to yield 2 lacks, and the duties on other unstamped or insufficiently stamped documents were expected to yield $2\frac{3}{4}$ lacks. The stamps Revenue is calculated to yield an annual increase of more than Rs 5,00,000 in all in this Presidency, the increase being chiefly under Court fees, the actuals for 1891-92 being $30\frac{1}{3}$ lacks and the revised estimate for 1892-93 being 33 lacks, and the budget figure for 1893-94 was $32\frac{1}{3}$ lacks.

EXCISE.

The actuals of the total excise Revenue in this Presidency for 1891-92 showed a revenue of $102\frac{1}{2}$ lacks, and the Budget figure for 1893-94 was taken to be 102 lacks. Three-fourths of this Revenue is Imperial, and $\frac{1}{4}$ th is Provincial. The total was thus made up: (1) license and distillery fees and duties for the sale of licensed liquors and drugs were estimated to yield nearly 91 lacks, (2) the yield of transit duty on excise opium was taken to be slightly over 10 lacks, (3) gain on sale proceeds of opium Rs. 20,000, and (4) fines and forfeitures were estimated at Rs. 80,000. Under the first sub-head, the largest revenue is derived from still-head duties which were expected to yield in all 67 lacks, the actual yield in 1891 being over 65 lacks. The item next in importance was the rent charged on Toddy trees tapped for raw toddy—the yield under this head was estimated at $10\frac{2}{3}$ lacks, the actuals for

1891 being $10\frac{1}{2}$ lacks. Next to this ranked the yield of license fees for shops for the sale of toddy which were estimated to yield nearly 4 lacks; and distillery fees from country liquor farms yielded nearly $3\frac{1}{2}$ lacks. The licenses for whole-sale of liquor yielded nearly a lack, and those for retail about $\frac{1}{2}$ lack. Hotel and refreshment room licenses yielded about Rs. 30,000. The total of license and distillery fees represented a revenue of nearly $9\frac{1}{2}$ lacks; still-head duties yielded, as stated above, 67 lacks and rent on toddy trees 10 lacks. The farm for opium, Ganja and other drugs yielded in all about 3 lacks of Rupees. This brought up the total yield to 90 lacks and more. The other sub-heads are chiefly single item and require no explanation. Fines and forfeitures, however, include a contribution to the cost of the establishment apparently paid by the farmers which is put down at Rs. 63,000 and sale proceeds of confiscated opium which come to about Rs. 9,000. The yield of revenue under the minimum guarantee provisions has now been minimized since the abolition of the guarantee system. It yielded in 1891 a little over 2 lacks of Rupees. The next item of Revenue, Provincial Rates, is chiefly a nominal receipt of $30\frac{1}{2}$ lacks, no portion of which is shared by the Imperial Treasury and no portion of it goes to the credit of the Provincial account. The whole of this Revenue is Local. The charge of collecting the local cess—about 26 lacks levied under the local Boards Act and nearly 4 lacks collected on account of Sind village officer's cess—is about Rs. 61,000.

The item of Customs Revenue is, like salt, chiefly Imperial, the Provincial receipts being confined to miscellaneous receipts about Rs. 40,000 and warehouse and wharf-rents about Rs. 2,000. The Imperial customs receipts realized in this Presidency were estimated to yield 34 lacks, the actuals for 1891-92 being $33\frac{1}{2}$ lacks. The total of $34\frac{1}{2}$ lacks was made up of

30½ lacks of duties on imports, 3½ lacks of duties on exports, land customs Rs. 33,000, and miscellaneous Rs. 21,000. Of the receipts from Import duties, nearly 23 lacks of receipts belonged to the Presidency proper and 7½ lacks to Sind. The export duties showed the same proportions—2¼ lacks of Rupees belonged to the Presidency proper and nearly a lack of Rupees were realized in the Sind ports.

In regard to "Assessed" Taxes, the total yield in the Presidency of Bombay was about 37½ lacks, the actuals for 1891-92 being 35½ lacks. About 2 lacks of rupees, which represented the yield of Income tax levied on the profits of Railway Companies, were exclusively Imperial, and the remaining receipts were shared equally between the Provincial and Imperial accounts. Of the receipts from Income-tax, the tax on Government salaries and pensions yielded slightly over 3 lacks, the tax levied on salaries of local and municipal bodies yielded about ½ lack, and the tax on the salaries paid to these employers by companies and private persons yielded 3½ lacks. Public and private employment paid between them about 7 lacks in nearly equal shares. The Income tax on the profits of private companies yielded 3½ lacks. The tax on the interest of Government and other securities amounted to about 2 lacks, out of which 1½ lacks represented the tax on the interest of Government securities. These receipts brought up the total on salaries, pensions, interest and profits of companies to 12½ lacks. The tax on other private incomes yielded 23 lacks, making up the total yield of 37½ lacks.

The total revenue from forests was estimated at about 35 lacks in 1893-94, the actuals for 1891-92 being nearly 33 lacks. The Imperial and Provincial shares in this revenue were equal, being 17½ lacks each. The principal item of receipts was the value of timber and other produce removed from the forests by Government agency which value was estimated to

be nearly 19 lacks. The value of timber and other produce removed by the private agency of customers and purchasers was about 15 lacks. Forests, not managed by Government, yielded Rs. 27,000, drift and waif and confiscated produce yielded Rs 4,000, and miscellaneous receipts were Rs. 75,000. The value of the timber removed by Government and private agencies was $14\frac{3}{4}$ lacks, of firewood and charcoal $10\frac{1}{4}$ lacks. Bamboos were chiefly removed by private agency and yielded Rs. 1,10,000. Grazing and fodder grass receipts yielded about 7 lacks of Rupees and minor produce about Rs. 75,000. The Southern Division forests yielded the largest quantity of timber, worth nearly $7\frac{3}{4}$ lacks; the Northern Division yielded about 5 lacks worth of timber, the Central Division and Sind yielded $1\frac{1}{2}$ lacks and about 90,000 worth of timber respectively. As regards firewood and charcoal, Sind forests yielded the largest quantity, 6 lacks, the Southern Division came next with an estimated revenue of $3\frac{3}{4}$ lacks under this head. The Central and Northern divisions yielded Rs. 60,000 and Rs. 10,000 respectively. As regards bamboos, the Southern Division came first with Rs. 60,000, the Northern Division yielded Rs 32,000, and the Central division was estimated to yield only Rs. 14,000. These deficiencies of the Central division were compensated by the excess of its grass and fodder receipts which were $3\frac{2}{3}$ lacks and exceeded by 100 per cent. the total receipts of the other three divisions under this head. The other sub-heads of this source of revenue call for no special notice.

The total yield of registration was estimated at $5\frac{3}{4}$ lacks against the actuals for 1891-92 of $5\frac{1}{8}$ lacks. This item is shared equally between the Imperial and Provincial Governments. The principal source of income is represented by the fees levied for registering documents which came to $5\frac{1}{2}$ lacks. Copying fees and miscellaneous made up a total of Rs 20,000.

The next head of receipts, tributes from native states, is a wholly Imperial item and its total yield was Rs. 12,11,000. The Kathiawar chiefs paid $5\frac{1}{2}$ lacks of Rupees as tribute, the scuthern Maratha Chiefs about Rs. 82,000, the Baroda state Contributed 3 lacks and Cutch Rs. 1,87,000. The contributions of other petty States came up to Rs. 60,000 and fees on succession amounted to Rs. 27,000.

The item of interest is chiefly Imperial, though under recent arrangements it figures to some extent in the Provincial account also. The total receipts under this head are estimated in the budget of 1893-94 at $21\frac{1}{3}$ lacks, out of which sum $18\frac{2}{3}$ lacks were Imperial and about $2\frac{2}{3}$ lacks were Provincial and about Rs. 8,000 were local receipts. The Imperial portion of this item is chiefly made up of the interest on loans advanced to four Municipality of Bombay which brought in nearly 3 lacks of interest and the Port Trust loans which brought in about 15 lacks by way of interest. The Provincial receipts under Interest consist chiefly of the interest on Provincial loans advanced to four Mofussil Municipalities, four district Boards and the Karachi Port Trust. These loans brought in $1\frac{1}{3}$ lacks by way of interest. The interest charge on loans to landholders was Rs. 5,000; that on advances to cultivaters was Rs. 57,000 and the interest received on advances under special laws, was Rs. 17,000 making up a total of Rs. 80,000. There were besides special Educational and Medical endowments which brought in Rs. 51,000, Rs. 35,600 being the interest on Educational securities and Rs. 25,000 on Medical securities. Lastly there was a sum of Rs. 8,000 credited to the local budget which represented interest on Government securities.

The Post Office and Telegraph departments on the receipt side are entirely Imperial and find no place in the Provincial accounts. The Mint receipts are also wholly Imperial. The total receipts were

estimated at nearly $13\frac{1}{2}$ lacks, being chiefly made up of seigniorage duty on coining silver which was expected to bring in 1893-94 the sum of $12\frac{2}{3}$ lacks, the actuals in 1891-92 being $8\frac{1}{2}$ lacks. The gain on coinage operations was Rs. 65,000 private assay fees brought in Rs. 1,000 and the miscellaneous receipts were about Rs. 16,000.

The next head, Law and Justice, is wholly Provincial. The Provincial receipts were estimated under this head to be slightly over 4 lacks. The principal item of receipts was magisterial fines about 3 lacks, being equal to the actuals of 1891-92. The other receipts were Court fees realized in cash, chief of which were recoveries in Pauper suits Rs. 11,000 fees in the High Court and District and Sub-judge's Courts Rs. 5,000 and record room receipts Rs. 32,000 and other miscellaneous items about Rs. 35,000.

Under this same item, the subhead Jails was estimated to yield nearly 2 lacks of receipts which were entirely Provincial. The actuals in 1891-92 were slightly over 2 lacks. This receipt is made up of the hire of convict labour Rs. 87,000, sale proceeds of Jail manufactures Rs. 95,000. The actual receipts from the sale of Jail manufactures in 1891-92 were Rs. 1,12,000.

The receipts under Police are partly Provincial, and partly local. The Provincial portion of the receipts was estimated to be about 4 lacks, and the local Police receipts about $3\frac{1}{2}$ lacks. The Provincial portion of the receipts was made up of (1) the charge for Police supplied to municipal, cantonment and town Funds Rs. 58,000; (2) the charge for Police supplied to Public Departments, private companies and persons Rs. 1,61,000 (3) the contribution made by the Port Trust from harbour and dock Police Rs. 25,000. Fees, fines and forfeitures, superannuation receipts and miscellaneous made up altogether Rs. 50,000. The Local receipts under Police consist

chiefly of fees, fines and forfeitures. The more noticeable items in the details of Provincial Police receipts are Punitive Police receipts Rs. 20,000 private watchmen or Rambolis Rs. 88,000 contribution on account of excise Police Rs. 90,000 municipal contribution Rs. 16,000, and contonment Funds Rs. 41,000. The large total of local Police receipts is accounted for by the fines levied in cattle pounds which come to 3 lacks. The fines under the Boiler Inspection and Public Conveyance Acts brought in about Rs. 50,000 more under this same head to local revenue. Under the head of miscellaneous Police receipts were included Rs. 28,000 contributed by Thana stations in Kathiawar, Mahi-Kanta and Rewakanta, as also Rs. 12,000 contributed by District Police.

The item of Marine is wholly Provincial. The receipts, estimated at Rs. 70,000, were made up of registration fees Rs. 65,000, levied under Shipping Acts in Bombay, Aden and Karachi, and pilotage receipts Rs. 5,000.

The next head, Education, is partly Provincial and partly local. The Provincial receipts under this head were estimated at Rs. 2,83,000, and the local at Rs. 3,03,000. The Provincial receipts are chiefly made up of fees, paid in Government Colleges and Schools. Colleges, general and Professional, were expected to yield Rs. 60,000, and schools, general and special, about 2 lacks by way of fees. The Special schools and colleges were expected to bring in only Rs. 26,000 of receipts by way of fees in 1891-92, while general colleges brought in Rs. 35,000 and general schools Rs. 1,84,000, Contributions and miscellaneous made up Rs. 30,000 more.

The Fees in Local Fund Schools brought in $1\frac{1}{2}$ lacks, municipal and popular contributions yielded Rs. 10,000 and miscellaneous receipts came to $1\frac{2}{3}$ lacks, being chiefly receipts of the Book Depot. The receipts under medical were chiefly Provincial, being Rs. 1,17,000, though there was also a local receipt of

Rs. 4,000 under this head. Out of the total sum of Rs. 1,17,000, the fees of the Medical College yielded Rs 21,000, Hospital receipts were Rs. 30,000, Lunatic Asylum receipts were Rs. 15,000, contributions were Rs. 47,000 and miscellaneous Rs. 3,000. The local receipt under this head was chiefly made up of contributions.

Scientific and minor Department receipts were also Provincial and local being Rs. 22,000 and Rs. 4,000 respectively. The Provincial portion of the receipts was made up of veterinary and stallian receipts Rs. 4,000, model farm receipts Rs. 5,000, and examination fees Rs. 13,000. The local portion of the receipts was made up of receipts from Botanical and public Gardens; Rs. 1,000 were received from model farms and Rs. 2,000 were expected to be receipts from Exhibitions and Fairs.

The receipts in aid of the superannuation allowances were partly Imperial, Rs. 1,18,000, and partly Provincial, Rs. 2,24,000. Subscriptions to the Military Fund, and the Civil Funds of the three Presidencies and the Indian Civil Service Fund made up a total of Rs 55,000, while contributions for Pensions and gratuities brought in Rs. 65,000 in the Imperial portion and $2\frac{1}{4}$ lacks in the Provincial portion of the receipts.

The receipts from stationery and printing were partly Imperial, Rs. 24,000, and partly Provincial Rs. 65,000. The Imperial portion of these receipts represented the price of the stationery supplied to the Berar administration. The Provincial portion of the receipts included chiefly the proceeds of the sale of Government Gazette, Law Reports, and other publications Rs. 27,000, and other Press receipts, Rs. 35,000. The miscellaneous head of receipts was also chiefly Imperial, $2\frac{2}{3}$ lacks. The Provincial portion of these receipts yielded Rs. 67,000 and the Local Rs. 29,000. The total receipts were thus estimated at $3\frac{2}{3}$ lacks, the actuals for 1891-92 being nearly $6\frac{1}{4}$ lacks. Fees

for Government audits of Port Trusts Accounts, and of the Book Depôt and Master in Equity, and the Administrator General's Department, and the Sassoon Reformatory and Karachi Municipality yielded in all Rs. 8,000 to the Imperial share and the fees for Provincial Audit yielded Rs. 4,000. Gain in Exchange and Premium on Bills, as also unclaimed bills, yielded Rs. 40,000. The revenues of Berbra and Bulha and Zoila represented a receipt under the Imperial portion of this head of nearly 2 lacks. In the Provincial portion of these receipts were included, unclaimed deposits Rs. 10,000, treasure trove, sale of Darbar presents, miscellaneous fees, fines and forfeiture Rs. 12,000, miscellaneous and extraordinary items Rs. 24,000. Under the local portion of these receipts were included sale of old materials, contributions and rents and miscellaneous.

Under the head of Irrigation, the portion of land revenue due to irrigation, estimated at $9\frac{1}{4}$ lacks, belonged to the Imperial exchequer and was not shared by the Provincial Government.

The revenue from Civil works was chiefly local, Rs. 5,13,000, and only a small sum of Rs. 3000 was the Provincial portion. The local receipts under this head were made up chiefly of tolls, 3 lacks, ferries, one lack, contribution Rs. 53,000, revenue retained for charges of collection, about Rs. 46,000 and miscellaneous, Rs. 10,000. These receipts made up a total of Rs. 5,13,000, the actuals for 1891-92 being Rs. 5,09,000.



CHAPTR IX.

THE PROVINCIAL BUDGET (*Continued.*)
EXPENDITURE.

REFUNDS AND DRAWBACKS.

To take up next the expenditure side of the Bombay Provincial budget for 1893-94, the first head of expenditure is Refunds and Drawbacks. The expenditure under this head was estimated at $6\frac{2}{3}$ lacks in 1893-94, the actuals for 1891-92 being $7\frac{1}{4}$ lacks. These were purely Imperial heads of refunds and drawbacks under salt and customs of Rs. 1,80,000, and there were the divided heads of land revenue, stamps, excise, assessed taxes, forest and registration, the total Imperial being about 5 lacks, and the total Provincial being about 2 lacks, the proportions being the same as those of the receipts shared. There were also Rs. 5,000 of refunds and drawbacks under Local. The disbursements are of a very miscellaneous character, and liable to vary from year to year.

ASSIGNMENTS AND COMPENSATION.

Assignments and Compensation is the next item of expenditure. It was estimated in the budget of 1893-94 at nearly 97 lacks, the actuals for 1891-92 being slightly over 100 lacks. The sum paid as compensation under this item is partly Imperial, $3\frac{1}{3}$ lacks, and partly Provincial, $3\frac{2}{3}$ lacks. This portion of the expenditure is liable to fluctuations. The other portion under Assignments is almost a fixed quantity, and is entirely Provincial. It consists of payments made to Inamdars and other grantees, 80 lacks; and pensions in lieu of resumed lands, $9\frac{1}{3}$ lacks. The compensation debited to the Imperial share includes sums paid in connection with excise arrangement to native states, Inamdars and to the Bombay Municipality. The total excise compensation came to $3\frac{3}{4}$.

lacks, out of which three fourth share was Imperial and $\frac{1}{4}$ th Provincial. The Compensation paid to the owners of salt-pans in Portuguese India was Rs. 50,000, which is debited to the Imperial share. The Goa Subsidy, which was 4 lacks, ceased in 1892, and it does not appear in the budget of 1893-94. The salt compensation paid to Native States including Janjera came to Rs. 56,000. Opium compensation, paid to Native States, came to $1\frac{3}{4}$ lacks. The total compensation under salt, excise and opium came to 7 lacks, $3\frac{2}{3}$ lacks Imperial, and $3\frac{2}{3}$ lacks Provincial.

In respect of assignments, it must be noted that sums above Rs. 5,000 paid to Inamdar came to $1\frac{1}{4}$ lacks, and sums below Rs. 5,000 made up a total of 3 lacks. The total sum paid to Inamdar was thus $4\frac{1}{4}$ lacks. The sums paid to District and village officers came to a total of $3\frac{3}{4}$ lacks. The assessment on alienated Inam lands came to $63\frac{1}{3}$ lacks, net payments made to village and District officers came to 7 lacks and 2 lacks were paid to village servants useful communities. The total sums paid on account of assessment on alienated lands thus came to $72\frac{1}{2}$ lacks. As regards Pensions in lieu of resumed lands, their total is $9\frac{1}{3}$ lacks made up thus:—Varshasans Rs. 80,000, Devasthans $2\frac{1}{2}$ lacks and the assessment of alienated lands under this head 6 lacks of rupees. Of the Varshasans, the total Dakshina grant comes to Rs. 20,683, out of which nearly Rs. 16,000 are devoted to Daxina Fellowships. The other payments of Rewards to authors, about Rs. 1,400, and allowances and contributions to the extent of Rs. 3,000, are debited to the same fund and accounts for the total of the Daxina grant to Rs. 20,683. The other Varshasans come to about Rs. 6,000.

It will be seen from these details that both these heads of expenditure, especially the item of assignment are mere adjustment heads, the nominal expenditure being for the most part counterbalanced by the nominal credits under Land Revenue noticed under receipts.

LAND REVENUE.

Land Revenue expenditure was estimated in the budget at $69\frac{1}{2}$ lacks, the actuals for 1891-92 being $66\frac{1}{2}$ lacks, though a small portion—merely in the way of an account adjustment— $3\frac{2}{3}$ lacks was Local. The Provincial total is made up of (1) nearly 30 lacks, being charges of District Administration, (2) nearly $6\frac{1}{2}$ lacks being the charges of Survey and Settlement, (3) $1\frac{2}{3}$ lacks being charges of Land Records and Agriculture (4) and nearly 28 lacks, being the allowances paid to district and village officers. The Local consists chiefly of allowances for district and village officers.

Under the first head, there are 11 Senior Collectors, paid at the rate of Rs. 2,825 a month, and 11 Junior Collectors, paid at the rate of Rs. 1,800 a month, and two Deputy Commissioners, whose salaries rise from Rs. 1,200 to Rs. 1,500. The salaries of these 24 officers come to about $5\frac{1}{2}$ lacks against $5\frac{1}{4}$ lacks in 1891-92. The number of first and second Assistant Collectors in 1893-94 was 42 in all, of whom 21 were first Assistant Collectors against 18 in 1892-93, drawing salaries rising from Rs 750 to Rs. 900, and 17 second Assistant Collectors receiving Rs.600 or Rs. 700 as salaries and 4 Statutory Civilians, each paid Rs 448 as salary per month. The number of the second Assistant Collectors and Statutory Civilians in 1892 was 16 against 21 in 1893-94. There were besides 29 Supernumerary Assistants in 1893, three Statutory Civilians being included among them, the Assistant Collectors among them, who drew Rs. 400 to Rs. 500 a month and the Statutory Civilians from Rs. 250 to Rs 400 a month. The charge for the whole batch of Assistant Collectors, 72 officers, was $6\frac{1}{4}$ lacks against 4 lacks in 1891-92. The total charge for Collectors and their Assistants was thus nearly 12 lacks against $9\frac{1}{4}$ lacks in 1891-92. There were besides 46 Deputy Collectors and

Magistrates divided into six classes, with salaries ranging from Rs. 300 to Rs. 700, and four Deputy Collectors with salaries ranging from Rs. 400 to Rs. 600 in Sind, and the total charge on this account was $2\frac{1}{2}$ lacks. The total charge on the Collectors, with the Covenanted Assistants and Deputies, was thus 14 lacks. Half of this charge was transferred to law and justice and this deduction as also the expected savings explain the budget charge of Rs. 6,10,000 under this head against the actuals of nearly 6 lacks in 1891-92.

Their establishment charges came up to another 6 lacks. The establishment consisted of 884 clerks, 732 servants, 20 Treasury Accountants and Chitnisas. The travelling allowances of the officers and establishment were together $1\frac{1}{2}$ lacks. The total charge for the Collectors and their establishment was thus $13\frac{2}{3}$ lacks against the actuals 13 lacks of 1891-92.

Next came the Mamlatdars and Mukteardars, 223 divided into 5 grades, rising from Rs. 100 to Rs. 250 and 36 Mahalkaris. The total charge on their account was 5 lacks. After deducting the moiety transferred to law and justice, this charge was reduced to $2\frac{1}{2}$ lacks. The Mamlatdars' establishment consisting of 2041 clerks and 3671 servants and temporary establishment cost in all nearly 9 lacks which was reduced to $8\frac{1}{4}$ lacks by a transfer of a portion of the charge to law and justice. The travelling allowance to these officers and their establishments came up to about one lack. The total charge on account of the sub-divisional establishment was thus $11\frac{1}{2}$ lacks. There were besides 351 Circle Inspectors, drawing salaries from Rs. 25 to 35 a month and the charge on their accounts as also on account of their servants, their travelling allowances and contingencies came up to $1\frac{2}{3}$ lacks; supplies and services and contingencies came up to $3\frac{1}{4}$ lacks. These details account for the 30 lacks budgeted charge on account of the Land Revenue establishments. The charge is really 40 lacks, but it is reduced to 30 lacks by the transfer.

of a portion to the head of law and justice, as the Collectors and their Assistants and the Mamalatdars also discharge magisterial duties.

The total charge for Survey and Settlement was, as stated above, estimated at 6½ lacks. The charge for the salaries of the Survey and Settlement Commissioner and his establishment has been saved under the new arrangements by which that office has been amalgamated with that of Director of Agriculture. The whole charge still debited to this head comes to Rs. 3,000. The Talukdari Settlement officer and his establishment represent a charge of Rs. 18,500, out of which Rs. 10,000 are contributed by the estates and the net charges are about Rs. 8,000. The Khoti Settlement Officers' charge comes to Rs. 10,000. The training of Talatis in Survey work costs Rs. 7,000, City Survey charges cost Rs. 7,500, revision of assessment of salt-producing lands costs nearly Rs. 8,000. The total charge for Survey and Settlement parties was thus nearly Rs. 40,000. The cost of the Professional and Cadastral Survey parties consisting of three Superintendents, two Deputies, and two Assistants and four Sub-Assistants, their establishments and allowances, and supplies and services and contingencies came up to nearly 6 lacks. The Officers' charge was 1½ lacks, the establishments cost 2½ lacks, allowances Rs. 50,000 and contingencies and supplies cost 1¼ lacks.

The charge for the Director of Agriculture and his one Assistant and two Divisional Inspectors and 29 District and Assistant Inspectors and their allowances and contingencies came up to 1½ lacks. The Alienation Settlement officer and his establishment cost nearly Rs. 13,000.

The allowance to district and village officers came to nearly 20 lacks, out of which 5 lacks represented the charge for the village executive officers, and nearly 11 lacks for the village accountants; about 2 lacks was the charge for minor village officers.

useful to Government; the contingencies came to about 2 lacks. The assessment of alienated land enjoyed by these officers came to nearly 8 lacks making up the total charge for village and Pargana officers of about 28 lacks against $26\frac{1}{4}$ lacks which were the actuals for 1891-92. The said village officers charge was $3\frac{2}{3}$ lacks and the total for the Presidency was thus $31\frac{1}{2}$ lacks. The total charge on account of Land Revenue was thus nearly 80 lacks, which represented a proportion of nearly 20 per cent. on the total collections amounting to $4\frac{1}{2}$ crores.

OPIUM.

The total expenditure under Opium is Imperial and comes to Rs. 26,000, the establishment charge coming to Rs. 11,000, the rents Rs. 14,000, and about Rs. 1,000 contingencies.

SALT.

Under the head of Salt, the total expenditure budgeted for in 1893-94 slightly exceeds 16 lacks against $14\frac{1}{2}$ lacks which were the actuals for 1891-92. The total is made thus :—salaries, establishments and contingencies come to $8\frac{1}{2}$ lacks, salt purchase and freight come to $3\frac{1}{2}$ lacks, the preventive establishment cost Rs. 4,17,000. Among the superior staff, there was one Collector, 7 Assistant Collectors, one Native Assistant and one Assistant Surgeon. There were ten Superintendents, 55 Inspectors, 26 Sarkarkuns and 9 Darogas, 633 Clerks, and about 5225 servants and Sepoys on the establishment of this Department. The salaries of the superior officers represent a charge of nearly one lack, the establishment charges come to 8 lacks, the allowances come to Rs. 66,000, and the contingencies and services and supplies amount to 2 lacks. These figures include four lacks which was the cost of the Preventive establishments. The only

other item of expenditure is the charge for the purchase of salt and freight which comes to $3\frac{1}{2}$ lacks. This brings up the total charge to 16 lacks and more as stated above. This represents a charge of nearly 7 per cent. on the total collections of $2\frac{1}{4}$ crores.

STAMPS.

The charges on account of stamps were $2\frac{1}{2}$ lacks, out of which $\frac{1}{4}$ was Imperial and $\frac{3}{4}$ this were Provincial. The charge for superintendence was estimated at Rs. 56,000, the charge on account of general stamps Rs. 60,000, on account of court fee stamps Rs. 39,000, and stamp paper supplied from central stores cost Rs. 90,000. The head quarter charges of the stamp office under an Assistant Superintendent were about Rs. 40,000, and the district charges about Rs. 15,000, representing the charge of 26 district clerks, and one official vendor and two servants. The charges for stamps and court-fees represented commission and discount on sale.

EXCISE.

The disbursement under excise budgeted for in 1893-94 amounted to a total of Rs. 3,58,000 against $3\frac{1}{2}$ lacks which represented the actuals for 1891-92. Out of the total expenditure, about Rs. 57,000 represented the charge of the executive establishment at the Presidency town, including an Assistant Collector on Rs. 500, with 22 Inspectors, 4 Guagers, 5 Clerks, and about 50 Servants. There is also an opium preventive establishment in the Presidency of 4 Inspectors, 5 detectives and 5 servants. In the Mofussil districts, there are as many as 251 Distillery Inspectors who draw salaries ranging from Rs. 12 to Rs. 275. There are besides 2 Supervisors, 7 Guagers 9 Clerks and 172 Servants on the establishment of

these Inspectors. The total charge of these Distillery establishments comes to about 2 lacks. There is besides one Superintendent, 23 clerks and 13 servants attached to the Collector's offices, costing in all Rs. 1,000. Travelling allowances, supplies and services and contingencies make up a total of Rs. 5,000. The percentage charge over the revenue under excise comes to about 4 per cent. The Imperial share of this charge is $\frac{3}{4}$ ths and the Provincial share $\frac{1}{4}$ or about Rs. 70,000.

PROVINCIAL RATES.

Provincial Rates call for no remark. The only charge under this head consists of the remuneration for collecting the local-cess which comes to about Rs. 52,000. This is entirely a local disbursement.

CUSTOMS.

The expenditure under customs as budgeted for in 1893-94 was $5\frac{1}{3}$ lacks, against $5\frac{1}{4}$ lacks which were the actuals for 1891-92. The Customs Commissioner and his personal assistant, with their eight clerks, 11 boat establishments, and 13 servants cost in all about Rs. 55,000. The establishment of the Reporter General of external commerce consists of 45 clerks and 4 servants and represents a charge of Rs. 33,000. With travelling allowances and contingencies, the total charge of the central establishment comes to Rs. 86,000. There are besides one Collector in Sind drawing Rs 1,500, 8 Assistant Collectors, one Deputy Collector, 16 examiners and appraisers, 8 Sarkarkuns and Darogas, 21 Gaugers and 280 servants in the four circles of Presidency, Guzeratti, Konkan and Sind. There is a large preventive establishment also consisting of one Superintendent and 5 Inspectors, 112 preventive officers, Tally-men, clerks, gate-keepers, about 100 men in the several

boat establishments, 48 on the tobacco establishment and about 200 other servants. The salaries of all these officers come to a total of 4 lacks. Their allowances, supplies and services and contingencies represent a charge of Rs. 65,000. The total percentage of charges on revenue collected is as high as 16 per cent. under this head. The whole of this expenditure is an Imperial charge.

ASSESSED TAXES.

The next head of Assessed taxes represents a small expenditure of Rs 52,000, out of which the charge for the establishment in the Presidency Town comes to Rs. 42,000, and for the mofussil Rs. 10,000. The Presidency charge includes salaries of one Collector on Rs. 700, and an Assistant Collector on Rs. 300, 6 Inspectors on Rs. 100 each, 42 clerks and servants. The mofussil establishment consists only of 13 clerks and 7 servants. The percentage of cost on collections under this head is as low as $1\frac{1}{2}$ percent. Half of this charge is Provincial and half Imperial.

FOREST.

The budgeted expenditure under this department was estimated at $22\frac{1}{2}$ lacks, against $19\frac{1}{4}$ lacks for 1891-92 which were the actuals for 1891-92. Half of this charge is Imperial and half Provincial. The principal portion of the expenditure is represented by $13\frac{1}{2}$ lacks spent on conservancy and works, and about 9 lacks represented the charge of the establishment. The charge for the removal of timber and the produce by Government agency was nearly 9 lacks, the cost being chiefly incurred in respect of firewood and charcoal of which the cost was $5\frac{1}{2}$ lacks, while the value realized was nearly 9 lacks. The cost of removing timber was nearly 3 lacks, and the value realized was $8\frac{1}{3}$ lacks. Grass and other minor produce cost $\frac{1}{2}$

lack to remove, and realized $1\frac{1}{2}$ lacks. Altogether the charge represented 50 per cent. on the value realized. The charge of timber, firewood, bambus, grass &c. removed by private agency was about $\frac{1}{2}$ lack and the value realized was over 15 lacks. Rents paid and payments made to shareholders in forests managed by Government cost about Rs 30,000. Live stock, tools and plants cost Rs. 43,000, roads and buildings cost Rs 23,000. The cost of demarkation and of surveys was $1\frac{1}{2}$ lacks. Money spent in actual new plantation was estimated to be about Rs. 20,000. Protection from fire cost Rs. 33,000, other works and miscellaneous cost about Rs 80,000, and compensation for land and rights cost Rs 17,000.

As regards establishment charges, there were two conservators of forests whose annual salaries Rs. 11,000 and Rs. 16,000 came to Rs 32,000 in all. There were besides one 1st Grade Deputy Conservator, Rs. 900, one 2nd Grade, Rs. 800, 4 in the 3rd Grade, Rs 650, 2 in the 4th Grade with salaries of Rs. 550 and Rs 450 respectively. There were again one Assistant Conservator on Rs. 450, 2 on Rs. 350, two on Rs 300, two on Rs 250, and one on Rs. 200. The total charge of these superior officers came in all to $2\frac{1}{3}$ lacks. Lower still there were 11 rangers, 50 foresters, 90+ guards, 47 clerks, and 47 servants. The charge of the subordinate establishment was in all about 5 lacks of rupees. Travelling allowances and contingencies added $1\frac{1}{2}$ lacks to this main charge. The percentage charge on Revenue collected under this head was as high as 70 per cent.

REGISTRATION.

The total charge under this head was estimated at Rs. 2,82,000 against 3 lacks which were the actuals for 1891-92. The charge for superintendence was Rs. 8,000 and the District charge was $2\frac{3}{4}$ lacks. The whole charge was

divided equally between the Provincial and Imperial Treasuries. The charge for superintendence was chiefly represented by the salaries of 4 Inspectors under the special registration clauses of the Relief Act, their clerks and servants and allowances and contingencies. Under the District charges was included the charge of the Registrar for Bombay and 172 Special Sub-registrars and Village Registrars. Of the Special Sub-registrars, one drew Rs. 111 per month, five were paid Rs. 75 a month, 8 received Rs. 50 to 60 per month, 27 received Rs. 50 per month, 12 received Rs. 45 per month, one had Rs. 40 per month, 25 received Rs. 35 per month, 16 received Rs. 30 per month, 22 received Rs. 25 per month, 12 received Rs. 20 per month, one received Rs. 18 per month, 21 received Rs. 15 per month, 19 received Rs. 12 per month, one received Rs. 8 and one Rs. 5 per month. The total salaries of these 172 officers came to Rs. 72,000. per year. There were besides 118 clerks and 34 servants. The cost of 193 Village Registrars in connection with the Relief Act was about Rs. 31,500. The charge for commissions paid to Sub-Registrars and Village Registrars came to Rs. 1,10,000. Travelling allowances and contingencies and supplies and services came to about Rs. 18,000 in all.

INTEREST.

The disbursements under this head as budgeted for in 1893-94 were $4\frac{3}{4}$ lacks against $4\frac{1}{2}$ lacks, the actuals for 1891-92. Excepting a small local item of Rs. 11,000 which represented the interest on miscellaneous accounts, the whole of these disbursements belonged to the Imperial accounts. The total of $4\frac{2}{3}$ lacks of the Imperial share was made up of the interest on Educational endowments, Rs 13,000, interest on charitable endowments, Rs. 32,000, interest on Uncovenanted Service Family Pension Fund, Rs. 82,000, interest on Presidency Savings Bank

deposits, Rs. 1,03,000, soldier's Savings Bank deposits, Rs. 9,000, interest on Uncovenanted Service Fund Life Assurance Branch, Rs. 3,000, and interest on miscellaneous accounts, Rs. 19,000. This last item was made up of interest on Local Fund Pension Fund, Rs. 4,000, interest on Administrator-General's deposits, Rs. 10,000 and other accounts, Rs. 5,000. Of the Educational endowments, the endowed Funds of Sir J. J. School of arts and industry yielded Rs. 5,000 as interest, the scholarship Funds attached to the old Elphinstone College yielded Rs. 4,300 as interest. Of the charitable Funds, Sir J. J. Hospital Fund yielded Rs. 12,000 as interest, the Parsi Benevolent Institution Fund yielded Rs. 12,000 as interest, and the David Sassoon Reformatory yielded Rs. 1,500.

POST OFFICE.

The only Provincial expenditure under this head was in connection with the District Post and slightly exceeded one lack of Rupees. This sum represented the salary of one Superintendent on Rs. 600, 13 Inspectors, 17 Clerks, 10 village Post-masters, 19 Postmen, 178 village Postmen, and 50 runners. The rest of the expenditure on Post offices is all Imperial and is not shown in the Provincial budgets.

MINT.

The disbursements under this head as budgeted for in 1893-94 were 5 lacks against the actuals of nearly 4 lacks of 1891-92. The whole of this expenditure is Imperial. It includes the salary of the Mint Master, Rs. 3,000 per month, one Assistant on Rs. 500, one Accountant on Rs. 600, 17 clerks, 18 guards, 3 bullion keepers and 5 servants. The cost of the whole establishment comes to Rs. 43,000. There are besides 7 Foremen, 2 engineers, 3 melters, 193

mechanics and labourers. Including temporary establishment allowances, and contingencies and supplies, the total charge of the Mint-Master's establishment comes to $2\frac{2}{3}$ lacks. The Assay-Master receives Rs 2,250 as his salary per month and his Deputy receives Rs. 1,200 per month. The establishment consists of 6 Head Assistants and clerks, and 14 servants. Together with allowances and contingencies, this charge comes to about Rs 60,000. The total charge on account of Mint and Assay-Master's establishments comes to $3\frac{1}{2}$ lacks, and one lack more represents the loss on coinage and about Rs. 80,000 are required for the purchase of local stores. These additions bring up the total to nearly 5 lacks.

GENERAL ADMINISTRATION.

The total disbursements budgeted for in 1893-94 under this head were $18\frac{4}{5}$ lacks against the actuals of nearly 18 lacks of 1891-92. Out of this sum $4\frac{1}{2}$ lacks represent Imperial expenditure, about 14 lacks is Provincial expenditure, and about Rs. 57,000 is local expenditure.

Of the expenditure charged to the Imperial Treasury, the expenditure on Civil Offices of account and audit amounts to $2\frac{3}{4}$ lacks, the Currency Department cost Rs. 86,000, and the allowances paid to the Presidency Bank came up to Rs. 81,000. The Accountant-General, with his Deputy and two Assistants, one Probationer and two chief Superintendents represented a charge of Rs. 88,000. There were besides 11 Superintendents and about 160 clerks with salaries ranging from Rs. 40 to Rs. 500, and 29 servants. The charge on account of these establishments was over $1\frac{2}{3}$ lacks. Allowances and contingencies brought up the total to $2\frac{2}{3}$ lacks. The cost of the local fund establishments—one Superintendent and 15 clerks, and one servant—came up to Rs 1,5000.

As regards currency, the Assistant Accountant-General was in charge of this work and received Rs. 1,000 per month. The establishment consisting of 68 clerks and 31 servants with allowances and contingencies brought up this charge to Rs 86,000.

As regards the allowances paid to the Presidency Bank, Rs. 14,000 were paid for general Treasury duties, Rs 38,000 for duties connected with the Government Savings Banks and Rs, 20,000 for duties connected with Public debt.

Of the Provincial expenditure under this head, the cost of the Staff and House-hold of the Governor with the tour expenses came to one lack of Rupees. It included the Private Secretary's salary, the salary of the Civil Surgeon and Apothecary, the Private Secretary's clerk on Rs. 350, and the Military Secretary's clerk, 43 servants and 45 men on the band establishment. Travelling allowances Rs 20,000, supplies and services, Rs. 5,000, contingencies, Rs. 16,000, and tour expenses Rs. 6,000 were also included in this total of a lack of Rupees. The charge on account of the Executive Council was $1\frac{1}{4}$ lacks, chiefly made up of the salaries of the two Executive members of Council. The charge on account of the Civil Secretariat was 4 lacks and on account of the Military Secretariat $\frac{3}{4}$ lacks of Rupees. There are in all one Chief Secretary drawing Rs 3,750 per month, one other Secretary drawing Rs 3125, and one Military Secretary drawing Rs 2,000 per month. The Chief Secretary has one Assistant and 2 Under-Secretaries, 18 Superintendents, 46 clerks and 22 servants. The other Secretary has one Assistant and one Under-Secretary, 30 Superintendents, 27 clerks and 28 servants The Military Secretary has one Assistant Secretary, 8 Superintendents, 17 clerks and 14 servants. There is besides a separate Director of Records and a Record Keeper, and the cost of their establishments comes to Rs. 12,000. The Oriental Translator and

his establishment of 3 Translators, 20 clerks, and 8 servants cost in all Rs. 40,000.

The total charge on account of the 4 Commissioners, including the Sind Commissioner, comes to about $3\frac{1}{2}$ lacks. The Sind Commissioner has two highly paid Assistants and one Daftardar, and there are 18 clerks and 30 servants on his establishment. The total charge of the Sind Commissioner comes to $1\frac{1}{4}$ lacks of Rupees. The other three Commissioners have two Assistants each, with 35 clerks and 61 servants. Their total charge comes to $2\frac{1}{4}$ lacks.

The charge on account of the general establishment of Local Funds comes to Rs. 1,15,000, out of which half is Local and half Provincial, giving employment to 221 clerks and 94 servants.

Lastly comes the charge on account of the Inspector-General of Registration and Stamps and Jails. The Inspector-General draws Rs. 2,000 a month and he has under him 4 Inspectors, 12 clerks, and 10 servants. The total charge on account of this establishment comes to Rs. 54,000.

These are the principal items of the Provincial expenditure under General Administration.

CHAPTER X.

PROVINCIAL BUDGET.

(EXPENDITURE SIDE.)

The next great head of expenditure is represented by the charges for the administration of Justice. The whole charge is entirely Provincial, and the Budget figure for 1893-94 exceeded 44½ lacks of Rupees, the actuals for 1891-92 being nearly 44 lacks. Of the sub-heads under this item, the principal ones are (1) six and a half lacks of Rupees which represent the charge for the High Court; (2) one and three quarter lacks, which is the charge for law officers; (3) nineteen lacks which represent the charge for civil and Sessions and Sub-Judge's Courts; (4) twelve and three quarter lacks which is the charge for Criminal Courts; (5) nearly 2½ lacks represent the charge of Small Causes Courts; (6) about Rs. 84,000 is the charge for Presidency Magistrate's Courts; (7) Rs. 42,000 represent the charge of the Sind Judicial Commissioner's Court; (8) about Rs. 13,000 represent the charge for the Coroner's court, and (9) Rs. 4,000 represent refunds.

Taking the sub-heads separately, the pay of the Chief Justice and six Puisne Judges of the High Court comes to a total of nearly 3½ lacks, being half the total charges of the High Court. The remaining 3½ lacks represent the charge of the establishment. This establishment on the original side consists of the Prothonotary and Deputy Registrars and Judges' clerks, in all six officers, whose total salaries come to about Rs. 60,000, while the subordinate establishment, consisting in all of 66 clerks, servants and Chopdars, together with contingencies and supplies, cost in all about Rs. 35,000. The Prothonotary's establishment thus costs nearly a lack of Rupees. About half a lack of Rupees represents the

charge of the Commissioner for taking accounts and of the Master in Equity. The establishment of the Clerk of the Insolvency Court costs about Rs. 4,500, the clerk himself being paid by fees which are not brought to account, but come to a very large figure estimated at Rs. 3,000 a month. The charge of the Clerk of the Crown and his establishment comes to about Rs. 10,000. The Sheriff is paid from fees which are not brought into the accounts, but the Deputy Sheriff and his establishment cost Rs. 18,000. The Official Assignee's establishment costs Rs. 8,000 a year, but the Official Assignee himself is paid from fees. Finally, the translator's establishment, consisting of 15 translators and 14 clerks, besides servants, cost in all Rs. 44,000. Adding up all these charges, the establishments on the original side cost in all $2\frac{1}{4}$ lacks of Rupees.

The charges of the establishment on the appellate side of the High Court come to about $1\frac{1}{4}$ lacks. The Registrar and his two assistants, with their establishment of 42 clerks and 48 servants, cost in all Rs. 75,000. The nine translators and their establishment cost in all Rs. 20,000. The Reportor and his assistant cost Rs. 12,000. Contingencies and other charges come to about Rs. 12,000. The whole charge of $6\frac{1}{2}$ lacks is thus distributed between all the departments of the High Court.

The law officers of Government consist of the Advocate General with a salary of Rs 2,000 a month, the Solicitor to Government with a salary of Rs. 2,500 a month, the Legal Remembrancer whose salary comes to nearly that of the Advocate General, the Government Pleader who works in the High Court on a fixed salary of Rs. 300 a month, and gets besides fees according to work done, which come to about Rs. 7,000 a year. There are besides on the mofussil establishment one Government Pleader and Prosecutor, who is paid Rs. 400 a month, and twenty

District Government Pleaders, with salaries ranging from Rs. 20 to Rs. 150. The fees paid to these officers come to a round total of Rs. 4,000. The head quarters law officers' charges, including establishments and contingencies, come to about a lack of Rupees, and the mofussil Government Pleaders and their establishments cost in all Rs. 75,000. The total charge of 1½ lacks is thus distributed between Bombay and the mofussil in this Presidency. The Coroner and his surgeon, with clerks, interpreters and other charges, cost in all about Rs. 1,000 a month, the coroner's pay being Rs. 300, and the surgeon's pay charged to this establishment is Rs. 200 a month.

We next come to the Presidency Magistrates' Court in Bombay. There are four Magistrates with salaries ranging from Rs. 600 to Rs. 2,000, and one chief clerk on Rs. 500 a month. The total charge is nearly Rs. 60,000. The clerks and interpreters and servants and contingencies represent a total cost of about Rs. 25,000 a year. The Judicial Commissioner in Sind receives Rs. 2,500 a month, and his Registrar Rs. 200 a month. His other charges come to about Rs. 11,000, and the total charges come to Rs. 42,000.

The next sub-head is represented by the cost of the Civil and Sessions Courts. The total charge on account of District and Sessions Judges Courts comes to 7½ lacks, and the charge on account of Sub-Judges Courts comes to about 8 lacks of Rupees. There are 8 first grade district and Sessions Judges receiving Rs. 2350 a month, five second grade Judges receiving Rs. 1,800 a month, 3 third grade Judges receiving Rs. 1,600 a month, and 2 Joint Judges receiving Rs. 1,100 a month. There were besides in 1892 six Assistant Judges of three grades, two in each grade, with salaries ranging from Rs. 600 in the third grade, to Rs. 800 in the second grade, and Rs. 900 in the first grade. In the Budget accounts of 1893, these places are not shown, but there is a transfer

from Land Revenue of a charge of nearly Rs. 60,000 on account of their salaries. The total charge for District and Sessions Judges thus comes to $4\frac{1}{2}$ lacks of Rupees. The seventeen Nazirs, 302 clerks, and 222 servants, on the establishment of these Courts, cost nearly 2 lacks more, and contingent and other charges come to about a lack—thus raising the total charge of these Courts to $7\frac{1}{2}$ lacks of Rupees.

There are in all 114 Sub-Judges, 13 in the first class with three grades, and 101 in second class with four grades. The salaries of these officers come to about $4\frac{1}{2}$ lacks of Rupees. Their establishment of 1,229 clerks and 603 servants costs in all $3\frac{3}{4}$ lacks of Rupees, and the contingent charges come to about Rs. 20,000, thus raising the total amount to 8 lacks and more. The Deccan Agriculturists Relief Act establishment of one Special Judge with two assistants, clerks and servants and allowances and contingencies, costs in all Rs. 45,000. The figures given above for Civil Courts do not include the charges of the Process serving establishment, which come to about $3\frac{1}{2}$ lacks, being made up of 172 clerks, and 267 process servers, who are paid out of the process fees. The contingencies and allowances under this head come to about Rs. 10,000. The whole charge on account of Civil and Sessions Courts thus comes to 19 lacks.

The charge on account of the Small Causes Courts comes in all to $2\frac{1}{2}$ lacks of Rupees, out of which $1\frac{2}{3}$ lacks represent the cost of the Presidency Small Cause Court, while Rs. 81,000 represent the charge for the mofussil Courts. The Presidency Small Causes Court is presided over by five Judges, with salaries ranging from Rs. 800 to Rs. 2,000, and a Registrar on Rs 500, with two assistants on Rs 25 each. There are seven interpreters and translators, 62 clerks, 42 bailiffs, and 25 other servants, whose total charge comes to Rs. 75,000. There are four mofussil Courts of Small Causes presided over by Judges, three of whom receive Rs. 800 a month, and

one Judge at Poona receives Rs. 900 a month. There are three registrars besides. The charge for these officers comes to about Rs. 45,000, and their 78 clerks and 58 bailiffs and 26 servants cost in all Rs. 30,000. The contingencies and allowances raise the total charge to Rs. 81,000.

The charge for the Criminal Courts is distributed between the two heads of Land Revenue and Law and Justice. The total charge on account of Collectors and Assistants and Deputies comes to 14 lacks and more, out of which Rs. 6,69,000 are transferred from Land Revenue to Law and Justice. Similarly, the total charge for Mammeldars &c. comes to about 5 lacks, out of which nearly half the charge or $2\frac{1}{2}$ lacks of Rupees, is transferred to Law and Justice. A similar transfer is made of a portion of the pay of head clerks in Mammeldars' offices, which comes to a round figure of Rs 64,000. These transfers are made on the ground that these Revenue officers of all grades have to discharge Criminal duties, which take up nearly half their time. These three transfer items make up $9\frac{2}{3}$ lacks. The other charges on account of establishments, allowances and contingencies, come to about 2 lacks. There are besides purely judicial officers, namely six city Magistrates, and ten Cantonment Magistrates. The charge on account of these officers, and their establishments and allowances and contingencies, comes to about one lack of Rupees. These details explain the total of $12\frac{2}{3}$ lacks, which is the budget figure for all Criminal Courts.

The charges on account of jails come to a total which ranges from nearly 6 lacks to $6\frac{2}{3}$ lacks of Rupees. It is made up of $3\frac{1}{2}$ lacks of Rupees for district Jails, Rs. 80,000 for Central Jails, Rs. 72,000 for Presidency Jails, Rs. 36,000 for lock-ups, Rs. 54,000 for convict camps, Rs. 12,000 for the Reformatory, Rs. 12,000 for Superintendence charges, and about one lack of Rupees for Jail manufactures.

There are 20 Superintendents of Jails, 53 Jailors and Deputies, and about 200 chief and head warders, and assistants, and matrons, and about 500 menial servants on these Jail establishments. The charge for rations of 560 prisoners in the Presidency Jails comes to Rs. 15,000 per year. The same charge for 1200 prisoners in Central Jails comes to Rs. 35,000. For 800 prisoners in convict camps, it comes to Rs. 30,000, and for 5200 prisoners in District Jails, it comes to Rs. 1,37,000. The diet money charge for 520 prisoners under trial comes to Rs. 21,000. The total charge on account of rations for nearly 8500 prisoners is thus 2½ lacks of Rupees per year, or 2½ Rupees per month per man. This charge includes clothing and bedding charges, but does not include the charge for medicines, which latter is estimated for nearly 2,000 prisoners at Rs. 2,500. The charge for the maintenance of the boys in Industrial and Reformatory Schools comes to Rs. 17,000. The total charge for the medical establishment specially employed in Jails comes to Rs. 25,000, and contingencies and allowances come up to Rs. 33,000. The one lack shown above as the charge for Jail manufactures represents chiefly the cost of the raw materials, and is a nominal charge only, being more than covered by the receipts from sale proceeds.

The next item of expenditure is represented by the Police charges which slightly exceeded 55 lacks of Rupees in 1891-92, and the budget figure for 1893-94 was put down at 56 $\frac{3}{4}$ lacks. Of this big total, about 55 lacks represented Provincial charges, and 1 $\frac{1}{2}$ lacks were local. A portion of the Railway Police establishment is the only Imperial charge under this head.

The Provincial Police charge of 55 lacks is made up principally of the cost of the District Executive Police, which comes to nearly 35 lacks; Village Police cost 9 lacks, Special Police cost 6 lacks, Railway Police 1 $\frac{1}{2}$ lacks, Presidency Town Police nearly 3 lacks,

Municipal and Cantonment Police 41,000 Rupees, and the charge of the Inspector General and his establishment was Rs. 62,000. The local expenditure on Police consists of a portion of the charge on account of Village Police, Cattle Pounds, and Steamboiler Inspection establishment. The Presidency Town Police consists of a Commissioner and Deputy receiving Rs. 1,700 and Rs. 800 per month respectively, and the total charge for this superintendence comes to Rs. 45,000. There are besides 6 Superintendents with salaries ranging from Rs. 300 to Rs. 450 per month, 20 Inspectors with salaries ranging from Rs. 125 to Rs. 175, 16 European Constables with salaries ranging from Rs. 100 to Rs. 110, 33 mounted police, 28 Jamadars, 61 Hawaldars, and 1106 native constables. The total charge of these Police officers of all ranks with allowances and contingencies amounts to $3\frac{3}{4}$ lacks of Rupees ; out of which the Municipality contributed three lacks, and the charge to Government was about Rs. 68,000. The Cattle Pounds establishment cost Rs. 5,000. The licensing of public conveyances represented a charge of nearly Rs. 9,284, which was wholly paid by the Municipality. The Harbour and Marine Police cost Rs. 33,000, for one Superintendent, 4 European constables, 9 Jamadars, and 87 constables. The Dock-yard Police charge was Rs 18,000, and represented the salaries of 1 Inspector, 2 European Constables, 4 Jamadars and 77 Native Constables. The Police in charge of Public buildings cost nearly Rs 15,000, chiefly for the salaries of 107 Constables. There were besides 650 private watchmen and Ramoshies, who cost Rs. 78,000. The Port Trust Police establishment consists of one Superintendent, one Inspector, one European Constable, six Jamadars and Hawaldars, and 76 Native Constables, the total charge coming to Rs. 19,000. The University engaged the services of 4 Police Constables. There were thus in all 8 Superintendents, 22 Inspec-

tors, 23 European Constables, 33 Mounted Police, and 1580 Native Constables, and 650 Ramoshies on service within the limits of the town and harbour of Bombay.

The Police Medical charges come to nearly Rs. 8,000 in the island of Bombay.

The Inspector General, with his personal assistant and 3 Inspectors, represented a charge of nearly Rs. 32,000, and the establishment with allowances and contingencies raised the charge to 62,000 in all. The District Executive Police consists at present of 22 District superintendents divided into 5 grades, with salaries ranging from Rs. 500 to 1,000, 5 assistant superintendents, 7 probationers, and 54 Inspectors. The salaries of these last officers ranged from Rs. 75 to Rs. 250. The total salaries of these officers amounted to a charge of 3½ lacks. There were 6 European constables costing nearly Rs. 600 in all ; of the Native Police force, there were 274 chief constables with salaries ranging from Rs. 25 to 95, and six Police prosecutors on Rs. 100 each. The head constables were 2,596 in number, their salaries ranging from Rs. 15 to 30, and finally there were 13,113 constables. The total charge on account of this force of nearly 16,000 constables was 19 lacks per year. The mounted Police Force of nearly 1,200 men costs in round number nearly 4 lacks of Rupees. Allowances, supplies and services, and contingencies on account of the Police force were estimated to cost nearly 5 lacks of rupees. The Punitive Police costs Rs. 20,000, the charge being recovered from the places where the posts are located. The harbour Police costs Rs. 20,000 and the private police service of 156 constables costs Rs. 23,000. The whole total charge for the District Executive Police thus came up to nearly 35 lacks of rupees.

The Municipal and Cantonment Police showed a total charge of Rs. 41,000, and this amount repre-

sented the salary of one Inspector, 5 European constables and 276 Native officers and men.

We have next to consider the Village Police whose total charge slightly exceeds 9 lacks. More than half this amount is represented by the assessment of alienated lands, and about 4 lacks are paid as allowances to village watch-men and police.

As regards the special police, this force is employed chiefly in the Gujrath Native States. The Kattiawar Agency Police includes one Superintendent, 2 Inspectors, 200 mounted police, 20 camel swars, 505 constables, and 133 native officers in the mounted and foot police ; the total charge exceeds 2 lacks. The Mahikanta Police service charge comes to nearly a lack of Rupees, and includes two Inspectors, 200 constables, 126 mounted police, 15 camel swars, and 46 native officers. The Palanpoor special police force similarly costs Rs. 67,000, and consists of one Inspector, 34 Native officers, 181 constables, 86 mounted police, and 12 camel swars. The Rewacanta Agency Police costs Rs. 27,000 for one Inspector, 12 officers, 100 constables, and 37 mounted police. The total charge for the Guzrath Agency police force thus exceeds 4 lacks. The Bhill and Mowassi corps and camel levy are also classed under this head of special police, and their charge of 2 lacks raises the whole expenditure on special police to over six lacks of Rupees.

The total Railway Police charge to Government exceeds $1\frac{1}{4}$ lacks. It represents only $\frac{3}{10}$ of the total cost, the other $\frac{7}{10}$ being borne by the Railway Companies themselves. The total charges to the companies and to Government are, Rs 13,000 for the Rajputana Railway, Rs. 42,000 for the North West Railway, $1\frac{1}{2}$ lacks for the G. I. P. Railway, about Rs 90,000 for the B. B. C. I. Railway, and about Rs. 70,000, for the Southern Maratha Railway—making a total in all of $3\frac{3}{4}$ lacks for the Railway Police service.

The Cattle Pounds establishment large comes to $1\frac{1}{4}$ lacks, and is more than three times covered by the receipts. The steamboiler Inspection service is similarly self-paying, the charges Rs 27,000 being covered by the receipts (Rs. 48,000.)

The next charge head is Marine, but the details of the expenditure under this head need not detain us long as the charges are only Rs. 42,000, and they chiefly represent the charge of the pilot establishment and the shipping master's office in Bombay Harbour. It is not a net charge, being met chiefly out of the receipts which greatly exceed the expenditure.

The next considerable item of expenditure is Education. The total charge was estimated in the budget of 1893-94 at $34\frac{1}{2}$ lacks, the actuals for 1891-92 being 32 lacks. Half of this charge is Provincial, and half local. The Provincial charge is made up of the grant to the University of Rs. 10,000, since discontinued, the Direction charge which comes to Rs. 45,000, the Inspection charge of $2\frac{1}{3}$ lacks. Government Colleges, general aid professional, cost $2\frac{2}{3}$ lacks, Government schools, general and special, cost $6\frac{2}{3}$ lacks, Grants-in-aid amount to $4\frac{1}{2}$ lacks, scholarships and miscellaneous items about Rs. 50,000. The local expenditure is represented by the charge on Government schools, general and special, of 14 lacks, Grants in-aid Rs. 60,000, miscellaneous $1\frac{2}{3}$ lacks, and scholarships about Rs. 50,000. The Inspectors are 4 in number, with salaries ranging from Rs. 500 to 1250, and there are besides 21 Deputies and 37 Sub-deputies. Their salaries with allowances and contingencies come up to $2\frac{1}{3}$ lacks.

In the arts colleges, there are 2 Principals, 11 Professors, and 3 Lecturers. Their salaries, with those of the subordinate teachers and establishments, raise this charge to $1\frac{1}{2}$ lacks. The charge for the Law schools and colleges comes to Rs. 17,000. The charge for the college of Science, with one Principal

two Professors, and 14 subordinate teachers, and including allowances and contingencies, comes to one lack of Rupees.

In regard to the High schools, it may be noted that there are 18 Headmasters and Principals and 357 assistant teachers in these schools, and their salaries, with other establishment charges, come to about $3\frac{1}{3}$ lacks. Government pays besides nearly Rs. 1,70,000 to municipal schools, thus raising the Provincial charge on secondary education to a total of $5\frac{1}{3}$ lacks.

The charge for primary schools is chiefly local. There are 9038 masters in these schools, and the charge for their salaries comes to $11\frac{3}{4}$ lacks. The other miscellaneous charges come to about 2 lacks, thus raising the total charge on Government schools, Primary and secondary, to nearly 19 lacks.

The total charge for four Male Training schools and one Female school comes to Rs. 90,000. The head masters in these schools are 9 in number, with 64 assistant teachers. The School of Arts represents a charge of Rs. 52,000, in all. The charge for one Industrial school maintained by Government is Rs. 30,000. The total charge for special schools is thus $1\frac{2}{3}$ lacks.

As regards grants-in-aid, four arts colleges, two of these missionary colleges in Bombay, and two private colleges at Ahmedabad and Karachi, receive fixed grants of Rs. 10,000 a year. These are the only grants-in-aid given to colleges. Among secondary schools, the Byculla schools receive the highest grant (Rs. 12,480), and the grant for the education of European and Eurasian children comes very nearly to it, being Rs 11,000. The European Christian schools thus receive between them nearly half the total grants-in-aid, (Rs. 49,000,) given to secondary schools. The two Mahomedan schools in Bombay and Sind get grants of Rs. 6,000 each, and the Israelite school gets Rs. 2,000 per year. Three Parsi endowed Institutions in Bombay and Surat get between them Rs. 11,500. All these grants are independent of the system of

payment by results. The grant-in-aid given on the system of payment by results comes to the large figure of two lacks of Rupees from Provincial Funds, and Rs. 60,000 from Local Funds, and the building and other grants come to $1\frac{1}{4}$ lacks. Of the grants to special schools, the contribution to the Victoria technical school is the highest, (Rs. 30,000,) the David Sassoon Reformatory gets a grant of Rs. 3,600, and the training schools and the Engineering School in Karachi gets Rs. 2,000 each. These disbursements raise the total amount of expenditure under grants-in-aid to nearly $5\frac{1}{4}$ lacks.

The sum spent on account of scholarships represents a total of Rs. 96,000, out of which Rs. 43,000 are spent from Provincial funds, and 53,000 from local funds. The scholarships in Arts Colleges represent an expenditure of Rs. 12,000, in Professional Colleges 4550, in secondary schools,—Rs. 19,200, in special schools, Rs. 7,440, in Primary and middle schools,—Rs. 11,300 and in Training Schools, the amount spent is Rs. 43,000.

The Government Book Depôt expenditure represented the large figure of Rs. 1,57,000 in Bombay, and Rs. 16,000 in Sind. This expenditure is more than covered by the receipts. Out of this total, the sum spent in the publication and purchase of books was $1\frac{1}{2}$ lacks per year.

The Department spends only Rs. 5,200 in grants for the encouragement of literature Rs. 1518 out of Provincial funds, and Rs. 3,700 out of local receipts. This completes our summary of the expenditure on education.

The next item is the expenditure on the Ecclesiastical establishment,—which is an Imperial charge of $3\frac{1}{4}$ lacks per year in this Presidency. There is one Bishop receiving Rs. 2,133 per month, one Archdeacon with a salary of Rs. 266 per month, one Secretary and Registrar with Rs. 150 per month, 10 senior and 16 Junior chaplains, the former receiving

Rs. 800, and the latter Rs. 500 per month, besides nine Clergymen who receive allowances Rs. 150 per month. This represents the Church of England establishment, and its total cost in salaries is two lacks of Rupees per year, and with allowances and contingencies; the whole cost comes to $2\frac{1}{2}$ lacks of Rupees. The Scotch Church has 4 chaplains on Rs. 800 each, and the total charge is Rs. 42,000. The Roman Catholic Church has 46 priests, and the total charge on their account is Rs. 10,000 per year. The Wesleyan Church receives Rs. 6,000 on a principle of capitation allowances. The Cemetery charges come to Rs. 9,000. and miscellaneous charges to Rs. 7,000. These details bring up the total expenditure to $3\frac{1}{4}$ lacks.

We come next to the Medical service which is chiefly a Provincial charge, though a small sum is also spent from local resources. The actual Provincial expenditure for 1891-92 was $13\frac{1}{4}$ lacks of Rupees, and the local, $1\frac{2}{3}$ lacks. The budget figures were $15\frac{1}{5}$ lacks Provincial, and $1\frac{1}{3}$ lacks local in 1893-94, the total being thus $16\frac{1}{2}$ lacks. Out of this big total, the medical establishment represented a charge of $3\frac{1}{4}$ lacks, Hospitals and Dispensaries absorbed nearly 7 lacks, the charge for sanitation and vaccination exceeded three lacks, medical schools and colleges cost nearly two lacks, Lunatic Asylums cost $1\frac{1}{6}$ lacks, the chemical examiner's establishment represented a charge of Rs. 22,000, grants for medical purposes were Rs. 6,000, and refunds Rs. 1,000.

The medical establishments charge was made up first of the salaries of the Surgeon General and his Secretary receiving Rs. 2,500 and Rs. 800 respectively. The office establishment and contingencies and allowances brought up this charge for Superintendence to Rs. 55,000. Next came the district medical officers, 3 Brigade Surgeons, receiving Rs. 1,050, each, 16 Surgeons Major, receiving salaries ranging from Rs. 750 to 1,030, six Surgeons on Rs. 550 each, and one on Rs. 450. The Presidency Surgeons received besides home rent.

The total charge on account of the District Medical officers was thus $2\frac{1}{2}$ lacks. There were besides 7 Assistant Surgeons, and 52 Apothecaries in the reserve establishment. The total charge for medical establishment was thus raised to $3\frac{1}{4}$ lacks.

Coming next to the charge for Hospitals and Dispensaries, we find that the charge for the Jamshetji Jeejibhoy Hospital was one lack of Rs. in all. The establishment charge in connection with this Hospital comes to nearly Rs. 2,000 a month, and included one House surgeon on Rs. 300, two Apothecaries and assistants, two nurses, two compounders, two stewards, and 95 servants. The diet and clothing of patients represented a charge of Rs. 41,000, and the charge for medicines and instruments was Rs. 16,500. The charge for the Bai Motlibai and Sir D Manikji Hospitals was Rs. 30,000. There were 15 nurses and matrons in this hospital, and one Apothecary and one Assistant whose charges came to Rs. 9,000 in all. The medicines cost Rs. 6,500 and the dieting charges were nearly Rs. 6,000. The charge for the ophthalmic Hospital was Rs. 5,000. The charge for the European General Hospital was Rs. 77,000, more than half of which was represented by the cost of the establishment, one Physician on Rs. 1,250, a month, one Surgeon on Rs. 800, three apothecaries, three Compounders, three matrons, two Stewards, and 56 servants. The dieting and clothing charges were Rs. 18,500, and the medicines cost Rs. 4,250, and contingencies Rs. 8,400. The Gokuldas Tejpal Hospital cost in all Rs. 15,000 to Government, chiefly in the salary and rent of the physician, the other charges being met by the Bombay Municipality. The charge for the Kama female Hospital came up to Rs. 37,000, and the Jaffer Suleman Dispensary for women cost Rs. 2,200 per year. This hospital and dispensary are chiefly intended for women and children. The establishment charges of both slightly exceeded Rs. 27,000, the dieting and clothing charges were Rs. 6,400, and the

medicines cost about Rs. 2,000. There were three Lady Doctors in charge of the Kama Hospital, one physician on Rs. 700, one surgeon on Rs. 400, and one more surgeon on Rs. 300. There were besides three compounders, 12 nurses, and two matrons, and about 22 servants. The Allbless Leper Hospital charge came up to Rs. 9,000 Out of a total charge on Hospitals and Dispensaries amounting to nearly 7 lacks, about $2\frac{3}{4}$ lacks represented the cost to Government of the hospitals in the Presidency Town. The Mofussil Hospitals and Dispensaries represented a total charge of nearly two lacks of Rupees per year being chiefly made up of the salaries of 7 assistant Surgeons, 3 Apothecaries, 41 Hospital Assistants, 35 medical pupils, and 13 compounders. The total charge of these establishments came up to one lack. The clothing and dieting charges came up to Rs. 40,000, and the cost of medicines was about Rs. 28,000.

The Provincial grants-in-aid to mofussil Hospitals and Dispensaries were Rs. 83,000 provided from Provincial funds, and Rs. 94,000 from local resources. There were besides Rs. 18,000 contributed to the Leper-house in Bombay from the Provincial Revenues, and Rs. 1,000 from local Revenues to Leper Asylums. These disbursements raised the total expenditure on hospitals from Provincial funds to nearly 6 lacks, and from local Revenues to nearly one lack of Rupees in the budget of 1893-94.

The total charge for Sanitation and Vaccination was estimated at Rs. 3,12,000, the actuals for 1891-92 being Rs. 2,81,000. Out of this total Rs. 2,81,000 were Provincial, and Rs. 31,000 local. The Provincial charge represented the salaries of the Sanitary Commissioner (Rs. 1680 per month), for the Sanitary Engineer (Rs. 1,100 per month), 5 Deputy Sanitary Commissioners (Rs. 700 and Rs. 900 per month), the Port Surgeon at Aden, one Health officer in Bombay Port, one Superintendent of Vaccination in Bombay on Rs. 350 a month, and one Assistant Sanitary Commis-

sioner on Rs. 250 a month. The salaries of these officers came up to a total of one lack of rupees per year. These were besides 31 Inspectors, 3 Assistant Superintendents, 303 Vaccinators, 64 clerks, and 351 servants on the establishment. The salaries of these officers represented a total of $1\frac{1}{2}$ lack of Rupees in all. The contingencies and allowances raised the whole total to Rs. 3,12,000.

We next come to the consideration of the expenditure on the Medical College and Schools. The total expenditure on the Medical College in Bombay was Rs. 1,40,000, out of which $1\frac{1}{4}$ lacks represented the salaries of the Professors. The Principal was paid Rs. 1,600 a month, one Professor received 1,250, Rs. three received Rs. 1,050 each, two received Rs. 850, the demonstrator received Rs. 350, four minor Professors received Rs. 200 each, and one additional, chemical Professor was paid Rs. 500 per month. There were thus 13 Professors, besides seven minor teachers.

The total charge on account of Medical Schools came to Rs. 38,000, and included the salaries of 7 Assistant Surgeon teachers, and allowances to three Superintendents, and Scholarships to 95 medical pupils.

The Lunatic Asylums cost in all Rs. 1,16,000. The superior establishment charge was Rs. 24,000, being made up of the salaries of one superintendent on Rs. 850, and allowances to 5 superintendents. The Subordinate establishments included one Apothecary, 5 Hospital Assistants, one compounder, one matron, 3 Overseers, 81 warders, and 81 servants in all.

The diet charges came up to Rs. 50,000, the clothing charges were Rs. 5,000, and the purchase of medicines &c. cost about Rs. 1,000 in all.

The Chemical Analyzer gets a salary of Rs. 850 a month, and has two Assistants on Rs. 300 and Rs. 120 per month. The total charge comes to about Rs. 22,000.

The next item of expenditure which calls for notice is what is represented by the Political department. This charge reached a total of $8\frac{3}{4}$ lacks in the actuals of 1891-92, and the budget figure for 1893-94 was $9\frac{3}{4}$ lacks. About $\frac{2}{3}$ rds of this total, or about $6\frac{1}{4}$ lacks is Imperial expenditure, and $3\frac{1}{2}$ lacks are Provincial. The Resident at Aden, with 7 Assistants, one Surgeon, one Registrar, and one Judge of the Court of Small Causes, represent a total charge of one lack of Rupees. The establishments cost $\frac{1}{3}$ of a lack, and the allowances and contingencies raise the total to $1\frac{1}{2}$ lack of Rupees. The whole of this expenditure is an Imperial charge. The Baroda Residency with its Agent, his three Assistants, one Surgeon, and one Cantonment Magistrate, represent a charge of Rs. 56,000, and the establishment and contingencies, raise the whole charge to $\frac{2}{3}$ ths of a lack of Rupees. This again is an Imperial charge. The two Residencies make up a total of $2\frac{1}{3}$ lacks. The Provincial Political charges are represented by the Kattiawar Political Agency, the Kutch Agency, the agencies in Mahikanta Palanpoor, the Southern Maratha Country, Sawantwadi, and the minor Agencies, such as the one for Sirdars in the Deccan, the Western Bheel Agency and others. The whole of this Provincial charge comes to $3\frac{1}{4}$ lacks of Rupees. The Kattiawar Political Agent has four Assistants, 4 Deputies, one Judicial Assistant, and one Surgeon, two Assistant Surgeons, and one Railway Magistrate under him. The charge on account of these officers and their establishment, with allowances and contingencies, comes to a total of $1\frac{2}{3}$ lacks. The Kutch Agency costs Rs. 28,000, the Mahikanta charge is Rs. 44,000, and the Palanpoor Agency costs Rs. 40,000. The cost of the Southern Maratha Country Agency comes to Rs. 53,000, out of which more than half the amount is made good by the Kolhapur State. The Sawantwadi Agency charge comes to about Rs. 43,000. This last and the minor Agency charges come up to

a total of Rs. 70,000, out of which nearly Rs. 53,000 are recovered from native states, and the net charge to Government for these minor agencies is only Rs 18,500. The total Political Agency charges of 5½ lacks of Rupees shown in the Provincial budget is thus accounted for.

Durbar presents and allowances came up to Rs. 41,000. The charges on account of State Prisoners, such as king Theebaw and the Afgan Sardars came up to Rs. 1,86,000 in the budget of 1893-94, while the actuals in 1891-92 were Rs. 1,30,000. The expenditure incurred in connection with the management of Berbera, Bulhar and Zailati on the Arabian coast comes to a total of 1½ lacks, which is partly covered by the revenues derived from these remote possessions.

The Scientific and Minor department represent a total charge of 3½ lacks, out of which the charge for the preservation of ancient manuscripts and a portion of the Veterinary and stallion charge represent Imperial expenditure. The charges on account of Provincial Museums, public observatories, donations to scientific Societies, model farms, exhibitions and fairs, a portion of the veterinary and stallion charges, Botanical gardens, Inspection of factories, census and Gazetteer and statistical work, examinations, &c making in all a total of 2 lacks and more, represent the Provincial expenditure under this head.

The charges on account of museums and model farms, exhibitions and fairs, veterinary and stallion establishments, and Botanical Gardens, are also partly thrown on local revenue. The principal of these partly Imperial and partly Provincial and Local charges is the charge on account of veterinary and stallion establishments. It comes to a total of Rs. 1,60,000. The Bacteriological Laboratory in Poona comes under this head, and represents a charge of Rs 34,000 which is made up of the salary of the Bacteriologist, a Superintendent of Bacte-

riological survey, and a chemical Assistant. Next comes the charge on account of the salaries of the Principal of the Veterinary College, and the Superintendent Civil Veterinary department who receive respectively Rs. 1,000 and Rs. 900 per month. The charge for the salaries of these five officers comes to nearly Rs. 60,000, and falls upon the Imperial Revenues. The other charges on account of the Veterinary College amounts to Rs. 17,000, and the charge in connection with the veterinary class at Poona is Rs. 3,500, while grants to Veterinary Hospitals and Dispensaries come to Rs. 13,000. These three charges come to Rs. 33,000, and are borne by the Provincial Revenues. The charge for keeping up full and stallion horses comes to Rs. 70,000, and is partly a Provincial charge, and partly a local charge. These details account for the whole of the Veterinary charge of 1½ lacks.

There is only one Observatory in Bombay, and the charge in respect of it comes to Rs. 16,000. There are only four scientific societies which receive subsidies from Government. The Royal Asiatic Society gets Rs. 3,600 per year, the Geographical Society gets Rs. 600, the Mechanics Institute receives Rs. 300, and the Dnyan Prasarak Society gets Rs. 300. The total expenditure on account of model farms and experimental cultivation came up to about half a lack of Rupees in 1891-92, and the receipts were about Rs. 13,000 in that year. The salaries of the two Superintendents and one Assistant came up to nearly Rs. 15,000 including allowances and establishments charges. The cultivation charges, the total came up to Rs. 12,000, while the experiments cost Rs. 15,000.

The charge on account of the Inspection of factories comes to about Rs. 20,000.

The Reporter on the Native Press and his establishment, representing a charge of nearly Rs. 8,000, is brought to account under this head.

Next comes the charge on account of Territorial and Political Pensions. The total charge under this head comes to $8\frac{1}{2}$ lacks of Rupees. Some members of the Peshwas family still receive pensions. So do the Bhosles of Nagpure, the Dhamheres, the Angres, the Jadhavs, Deshmukhas, Patwardhans, Raja Bahadur, the Surat Nabab, the Sumant, the Tanjore Pensioners, the Satara Pensioners, all join company in this list with Afghans and Sind Amirs. The details are too numerous to be properly classified.

The next large head of expenditure is that represented by superamounted pensions, which is partly an Imperial charge, but is chiefly provincial charge and nearly comes up to 16 lacks of Rupees. The Imperial Revenue contributes only Rs. 75,000 to the pensioners in the marine and military departments. The Provincial expenditure is an ever growing charge. In 1892-93, the amount paid as pensions was 15 lacks, and out of this nearly $1\frac{1}{2}$ lacks of pensions lapsed by death, while new charges were created of Rs. 1,90,000, thus raising the charge to $15\frac{1}{2}$ lacks. This gives an annual net increase of Rs. 50,000. The pensions under the Land Revenue Department top the list, being $3\frac{1}{4}$ lacks in all; next came the Police Pensions $2\frac{3}{4}$ lacks, under the department of law and justice the pensions amounted to Rs. 1,90,000, and under general administration one lack and eight thousands. The Revenue Survey, Customs, and Political, and Education Departments show figures averaging about half a lack each. The salt Department pensions represent a total which exceeds Rs. 40,000. The other departments call for no special notice. Compassionate allowances came up to Rs. 30,000, and other allowances amounted to Rs. 10,000 in all.

The Stationery and the Government Printing Presses Department represents a total charge of $10\frac{1}{2}$ lacks. The establishment of the Stationery department costs Rs. 30,000. The Central Press establishment charges

came up to nearly 2 lacks of Rupees and the contingencies &c. raised the total charge to about $2\frac{1}{2}$ lacks. The High Court Press charge was, Rs 5,000, the Sind Commissioner's Press charge was Rs. 31,000, and the Jail Press at Aden, and the Alienation Department Press cost about Rs. 2,500 between them. The whole charge for the Presses was thus nearly 3 lacks. Private printing to the extent of Rs. 12,000, was also carried on on account of Government.

The stationery purchased in the country represented an expenditure of nearly $1\frac{1}{2}$ lacks. The stationery supplied from central stores exceeded 3 lacks of Rupees in value.

The Miscellaneous item of expenditure represented a total of $2\frac{2}{3}$ lacks as budgeted for in 1893-94, against an actual of nearly 4 lacks in 1891-92. It included Imperial, Provincial and Local charges. The Imperial charges were chiefly incurred for unforeseen purposes. The Provincial charges were on account of examination allowances and rewards for proficiency in languages, purchase of books, European vagrant deportation charges, charges for the destruction of wild beasts, special commissions of inquiry &c. &c. Many of these Provincial charges were partly defrayed out of the local Revenues also. Donations for charitable purposes are also included in this head, and came to a total of Rs. 56,000. Most of the Institutions helped were Christian Institutions in Bombay, such as the widow's house, the District Benevolent Society, Sailors Home, female workshop, Stranger's Friend Society, Seamen's Rest &c. The European vagrants deportation charge came up to Rs. 9,000. The establishments in charge of Travellers Bunglows were also paid out of this head, and the expenditure came to about Rs. 16,000 per year in all.

The last chief head of expenditure under the Provincial budget is of civil works,—which is mainly local. The sum budgeted for in 1893-94 was $14\frac{3}{4}$ lacks of Rupees

against an actual of nearly $13\frac{1}{2}$ lacks in 1891-92. This was the sum spent on local works under the superintendences of the civil department. Original works in the shape of buildings were estimated to cost Rs. 88,000, and new communications had $1\frac{3}{4}$ lacks allotted to them. Miscellaneous Public Improvements were estimated to cost $2\frac{1}{2}$ lacks. The repairs of these three classes of works had $7\frac{1}{4}$ lacks allotted to them. There were in all 160 overseers and mistrees in charge of these local works, and the establishment charge was estimated at $\frac{3}{4}$ lack of Rupees. There were 92 Road tolls and 174 Ferry tolls kept up, and the charge on their account was Rs. 42,000. Road side trees represented an expenditure of Rs 92,000 in all in the budget of 1893-94. These several items made up the total of nearly 15 lacks of expenditure on civil works under this head. This closes our summary of the budget of Provincial receipts and expenditure.

It may interest our readers if we summarize the details of the numerical strength of the sanctioned establishments in each department under the Government of this Presidency. The Land Revenue establishments give employment to (a) 22 Collectors and two Deputy Commissioners, in all 24 officers; (b) 38 Assistant Collectors, who include six Assistant Judges graded as Assistant Collectors; (c) 42 Supernumerary Assistant Collectors; (d) 11 Statutory Civilians; (e) 50 Deputy Collectors and Magistrates; (f) 205 Mamledars and Mukhtyarkars, and 36 Mahalkaries; (g) 20 head treasury accountants, and 16 Chitness graded with the Mamletdars. Under these officers there are 2925 clerks and 4403 Sepoys and servants. There are besides 357 circle Inspectors with 35 servants.

In the stamp department, there are 26 clerks, one official Vendor, and two servants.

In the opium department, there are two Inspectors, 3 warehouse keepers, 3 clerks and 9 servants.

In the excise department, there are 3 Supervisors, 250 Inspectors, 7 gangers, 30 clerks, and 191 servants.

In the Registration Department, there are 4 Inspectors, 173 Registrars and special Sub-Registrars, and 103 Village Registrars, 124 clerks, and 38 servants.

In the Forest Department, there are two Conservators, 22 Deputy Conservators, 7 Assistant Conservators, 10 extra Assistant Conservators, 41 rangers, 146 foresters, 3,266 guards, 148 clerks, and 120 servants.

In the District Post Office Department, there are 14 Superintendents and Inspectors, 17 District clerks, 29 Village Post Masters and Postman, 478 Village Post men and 50 runners.

In the general administration of Local funds branch, there are 103 clerks on the Collector's establishments, and 118 in the local board establishment, and there are 20 servants in the former, and 74 on the latter establishments.

Under the head of Law and Justice, there are (a) 16 Civil and Session Judges (b) two Joint or Assistant Judges besides 6 graded with Assistant Collectors, and (c) 114 Sub Judges. There are 17 Nazirs, 1531 clerks, and 825 servants on the general establishment of these Courts. There are besides on the Process serving establishment 100 clerks and 2016 servants. There are also 21 Government pleaders, with 18 clerks, on the mofussil establishment. There are 4 Judges of mofussil small cause Courts, 3 Registrars, 78 clerks, 58 Bailiffs, and 26 servants in these mofussil courts.

Of the purely Criminal Courts there are 5 City Magistrates, 11 Cantonment Magistrates, with 59 clerks and 64 servants. There are also 162 clerks and 7 servants on the general establishment of Criminal Courts.

Under the head of the District Jails, there are 16 Superintendents, 47 Jailors, 33 clerks, 154 warders, 16 Hospital assistants, and 304 menial servants.

Under the head of Police, there are,—one Inspector general, 23 District Superintendents, 5 Assistant Superintendents, 10 Probationers, 59 Inspectors, 289 Chief Constables and Government Prosecutors, 2683 Head Constables, 13678 Native Constables, 16 European Constables, 1196 mounted Police, 198 clerks, 4 apothecaries and 111 servants. Under the Special Police, there are 1748 men in the rank and file of the Bhil Corps Movasis corps Bhil nemnuk, and camel levy establishment.

Under the head of education, there are 4 Inspectors, 21 Deputy Inspectors, 38 Sub Deputy Inspectors, 81 clerks and 101 servants.

In Art Colleges, there are 2 Principals, 11 Professors, 3 lecturers, 5 masters and teachers, one Superintendent, 2 Hospital Assistants, 3 clerks and 25 servants.

In the Law Colleges, there are 4 Principals and Professors, one Lecturer, one clerk, and 2 servants.

In the Government Schools there are one Principal, one Vice Principal, one Lady Superintendent, 18 Head masters, 357 Assistant teachers, 5 clerks and 84 servants.

In Primary schools, there are 9048 masters and 275 servants.

In the Training Colleges, there are 8 Principals and Vice Principals, one Lady Superintendent, 64 masters, 8 clerks, and 42 servants.

In the Industrial schools, there are one superintendent, 4 teachers, 15 artificers, 4 clerks, and 2 servants.

In the Ecclesiastical department, there is one Bishop, one Archdeacon, one secretary, 33 chaplains, 9 clergymen, 46 priests, 24 clerks, and 65 servants.

In the Medical service, there are 19 Brigade surgeons and surgeons major, 10 surgeons, 7 Assistant

surgeons, 3 apothecaries, 4 Hospital assistants, 35 Medical pupils, 13 compounders, and 248 servants.

In the sanitation department, there are one Sanitary Commissioner, one sanitary Engineer, 5 deputy Sanitary Commissioners, one Health Officer, one Post Surgeon, one Superintendent of Vaccination, one Assistant Sanitary Commissioner, 31 Inspectors, one Assistant Superintendent of Vaccination, 64 clerks and 381 servants.

In Medical schools, there are 3 Superintendents, 7 Assistant Surgeons and teachers, 95 pupils and 7 servants.

In Lunatic Asylums there are 6 superintendents, 6 apothecaries, 3 compounders, 4 Matrons, and stewards and 160 servants.

In the Government Bull and stallion departments there are 4 clerks, 5 farriers, 6 Inspectors and 2 servants. There are 116 servants in charge of traveller's Bunglows, and 174 on the Ferry toll establishments, 92 on the Road toll establishments, 160 overseers and maistrees, 363 men on the Road side trees establishment and 20 servants.

APPENDIX A

	Receipts.	Actuals. 1881-82.
Opening Balance	...	14,80,033
I. Land Revenue	...	69,45,442
IV. Excise	...	66,02,602
V. Assessed Taxes	...	3,38,472
VII. Customs	...	88,079
VIII. Salt	...	69,062
X. Stamps	...	41,55,512
XI. Registration...	...	2,73,650
XV. Minor Departments	...	21,475
XVI. Law and Justice Court of Law	...	3,71,113
Do. Jails	...	4,18,073
XVII. Police	...	2,32,312
XVIII. Marine	...	42,964
XIX. Education	...	2,31,095
XX. Medical	...	87,637
XXI. Stationery and Printing	...	53,568
XXII. Interest	...	53,417
XXIII. Superannuation	...	1,36,075
XXV. Miscellaneous	...	1,33,840
XXVIII. Other Public Works	...	6,27,584
Contributions	...	47,042
Imperial allotment	...	1,77,01,710
Grand Total.....		4,01,10,757

Appendix A.—Continued.

	Expenditure.				Actuals 1881-82.
3. Refunds	2,64,106
4. Land Revenue	66,53,698
6. Excise	1,94,828
7. Assessed Taxes	20,257
9. Customs	7,73,109
10. Salt	5,95,797
12. Stamps...	1,85,464
13. Registration	2,83,539
15. Post Office	88,533
16. Administration	12,12,777
17. Mint	240
18. Minor Departments	1,50,595
19. Law and Justice—Courts of law	43,37,457
Do. Jails	7,81,618
20. Police	40,52,701
21. Marine	45,959
22. Education	10,58,081
23. Ecclesiastical	3,39,161
24. Medical	11,99,128
25. Stationery and Printing	4,87,430
26. Political Agencies	4,879
27. Allowances and assignments...	70,21,185
29. Superannuation	10,70,585
30. Miscellaneous	2,20,190
31. Other Public Work	29,24,450
32. Railways	17,828
Contribution to Local	5,09,289
Closing Balance	56,67,873
Grand Total.....					4,01,10,757

APPENDIX B

Receipts.		1885	1886
I. Land Revenue	...	2,86,45,405	2,88,47,191
	}	+ 3,75,941	- 17,96,785
III. Salt	...	17,322	35,363
IV. Stamps	...	22,15,310	23,96,574
V. Excise	...	45,02,560	46,31,112
VI. Provincial rates	...	55,843	...
VII. Customs	...	52,277	54,460
VIII. Assessed Taxes	...	6,28,184	6,28,184
IX. Forests	...	16,83,143	15,16,538
X. Registration	...	1,92,928	- 1,91,773
XI. Interest	...	53,731	53,202
XII. Post Office	...	1,600	1,200
XIV. Telegraph	...	3,685	3,098
XVI. Law and Justice	...	5,19,620	5,20,666
XVII. Police	...	7,30,182	3,04,623
XVIII. Marine	...	55,740	55,925
XIX. Education	...	2,77,785	2,90,521
XX. Medical	...	64,370	1,33,531
XXI. Scientific	...	26,649	23,264
XXII. Receipts in end &c.	...	1,47,968	1,82,564
XXIII. Stationery and Printing	...	62,549	48,729
XXV. Miscellaneous	...	1,39,941	47,186
XXXII. Civil Works	...	12,71,657	7,59,573
Contributions	...	1,69,846	78,236
		4,18,94,236	3,90,06,628

Appendix B.—Continued.

Expenditure.	Actuals. 1885.	Actuals 1886.
1. Refunds and Drawback ...	3,02,360	2,82,754
2. Assignments and compensation ...	81,19,702	87,24,724
3. Land Revenue ...	68,74,436	67,32,378
5. Salt ...	8,99,199	9,60,992
6. Stamps ...	1,00,086	1,09,717
7. Excise ...	1,30,601	1,27,931
8. Provincial rates ...	55,824	"
9. Customs ...	4,79,562	4,97,253
10. Assessed Taxes ...	9,944	9,944
11. Forests...	9,14,770	9,74,995
12. Registration ...	1,49,975	1,49,373
15. Post Office ...	1,05,918	1,06,889
16. Telegraph ...	5,103	5,355
18. General administration ...	12,75,879	12,32,378
19. Law and Justice ...	50,91,955	50,11,805
20. Police ...	49,20,019	48,60,165
21. Marine ...	61,356	67,614
22. Education ...	18,31,817	16,01,615
24. Medical ...	12,78,273	12,93,474
25. Political...	...	...
26. Scientific...	2,59,873	2,23,250
29. Superannuation ...	12,28,498	13,06,148
30. Stationery and Printing ...	5,81,191	5,40,886
32. Miscellaneous ...	3,74,108	3,57,994
33. Famine relief ...	4,605	...
41. Miscellaneous Railway Expenditure ...	10,152	16,752
45. Civil Works ...	35,72,725	47,94,690
Contributions ...	8,36,572	6,31,201
Total.....	3,89,74,479	4,06,20,322

APPENDIX C

Receipts.	1890-91	1891-92	1890-91	1891-92
	Approximate Actuals.	Final Budget. Estimate.	Actuals	Actuals
	Rs.	Rs.	Rs.	Rs.
Opening Balance.	58,40,867	46,04,869	58,40,867	46,01,994
I. Land Revenue }	89,85,886	90,09,000	89,86,076	89,78,398
III. Salt ...	72,07,198	91,98,000	71,08,627	92,44,322
IV. Stamps ...	45,544	46,000	45,538	56,669
V. Excise ...	40,11,375	40,50,000	40,11,756	40,86,259
VII. Customs ...	24,97,536	24,76,000	24,97,667	25,63,654
VIII. Assessed Taxes ...	44,652	44,000	44,630	39,673
IX. Forest. ...	16,65,880	16,72,000	16,65,889	17,03,097
X. Registration	16,00,653	17,50,000	16,44,110	16,42,324
XII. Intest ...	2,48,955	2,53,000	2,48,955	2,68,894
XIII. Post office...	2,21,280	2,23,000	2,21,274	2,32,539
XIV. Telegraph...	1,600	2,000	1,600	600
XVI. Law and Justice—	3,000	3,000	3,107	4,157
A—Courts of Law	4,00,615	4,08,000	4,00,448	4,06,727
B.—Jails ...	2,16,922	2,15,000	2,19,736	2,18,914
XVII. Police ...	3,77,993	3,55,000	3,86,218	3,89,823
XVIII. Marine ...	63,350	65,000	63,650	68,942
XIX. Education ...	2,69,702	2,73,000	2,69,691	2,80,003
XX. Medical ...	1,12,962	1,15,000	1,13,177	1,13,275
XXI. Scientific & other Minor Departments }	37,701	34,000	37,693	33,279
XXII. Receipts in aid of Superannuation }	2,54,152	2,71,000	2,55,409	2,36,274
XXIII. Stationery & Printing }	53,114	62,000	65,498	66,150
XXV. Miscellaneous	96,249	59,000	1,06,028	51,622
XXX. Irrigation Minor Works and Navigation }	10,406	13,000	10,406	16,897
XXXII. Civil Works Civil Officers. Public Works Officers ... Contributions	8,065 8,12,777 1,76,765	3,000 7,69,000 1,48,000	3,063 8,12,475 1,78,257	2,741 7,48,249 2,96,965
Total Revenue.....	2,94,19,332	3,15,16,000	2,94,00,980	3,17,50,447
Grand Total,....	3,52,60,199	3,61,20,869	3,52,41,847	

Appendix C—Continued.

Heads of Account.	1890-91	1891-92	1890-91	1891-92
	Expenditure.	Actuals.	Budget.	Actuals.
	Rs.	Rs.	Rs.	Rs.
1. Refund & Draw-backs ...	1,88,609	1,88,000	1,88,904	1,86,644
2. Assignments & Compensations...	14,61,682	15,51,000	14,61,300	14,52,818
3. Land Revenue...	56,02,690	59,11,000	56,05,014	56,02,720
6. Stamps ...	1,59,910	1,64,000	1,59,909	1,66,246
7. Excise ...	86,405	91,000	86,405	87,493
10. Assessed Taxes..	27,028	26,000	27,028	25,788
11. Forest ...	9,18,193	10,15,000	9,28,367	9,63,569
12. Registration ...	1,45,913	1,50,000	1,45,913	1,50,453
13. Interest on Ordinary debt ...	1,51,365	1,74,000	1,51,278	1,79,094
14. Interest on other obligations ...	...	...	...	...
15. Post Office ...	1,08,597	1,07,000	1,08,596	1,06,893
16. Telegraph ...	4,000	4,000	3,581	3,850
18. General Administration ...	13,15,662	13,68,000	13,18,167	13,62,282
19. Law & Justice—				
A. Courts of law	44,15,419	44,48,000	44,15,402	43,94,738
B. Jails ...	6,24,612	6,78,000	6,25,247	6,35,653
20. Police ...	46,55,644	52,41,000	46,58,494	48,42,485
21. Marine ...	37,843	41,000	38,275	43,064
22. Education ...	16,50,079	18,00,000	16,50,884	16,35,821
24. Medical ...	12,78,100	13,90,000	12,84,686	13,27,677
25. Political ...	3,51,087	3,62,000	3,52,943	3,25,252
26. Scientific and other Minor Departments...	1,65,411	2,21,000	1,65,610	1,87,420
29. Superannuation Allowances and Pensions ...	1,65,411	2,21,000	1,65,610	1,87,420
30. Stationery and Printing ...	15,28,295	15,46,000	15,28,743	15,53,428
32. Miscellaneous ...	6,15,235	6,28,000	5,84,781	5,83,610
33. Famine Relief...	1,67,100	2,16,000	1,66,322	3,61,460
37. Construction of Railways ...	...	...	...	2,158
38. State Railways, Interest on Debt	...	11,50,000	...	11,72,211
	...	5,000	...	...

7

Appendix C—Continued.

Head of Account	1890-91	1891-92	1890-91	1891-92
	Expenditure.		Actuals.	Actuals.
	Rs.	Rs.	Rs.	Rs.
41. Railway Surveys	9,107	...	8,173	-918
43. Irrigation Minor Works and Navigation ...	2,59,598	75,000	2,59,517	38,107
45. Civil Works:— Civil officers ...	10,507	11,000	10,507	22,097
Public Works Officers ...	40,28,756	40,81,000	40,17,092	39,59,535
Contributions...	6,88,483	7,29,000	6,88,765	9,10,687
 Total Expenditure	 3,06,55,330	 3,33,71,000	 3,06,39,853	 3,22,82,335
Closing Balance....	46,04,869	27,49,869	46,01,994	40,70,106
 Grand Total.....	 3,52,60,199	 3,61,20,869	 3,52,41,847	 3,63,52,441

ERRATA.

(Corrections made by Mr. Blakeman)

Page.	Line or Head.	Incorrect.	Correct.
5	5	to be abolished	to be created or abolished.
7	Under the head of net allotment of 3 Police.	} 34,92,251	34,93,251
8	Under Minor Departments.	} 21,628	21,618
9	7	6,80,644	6,80,284
"	9	32,000	32,060
"	11	2,59,356	2,59,156
10	3	38,87,030	38,87,080
"	6	receipts were	receipts in 1871-72 were.
"	17	11,87,710	11,82,710
"	21	2,04,198	2,04,193
20	6	Bombay	Bombay
27	Under the head of (VIII Salt)	} 42,897	42,987
28	Under "Imperial allotment."	} 1,46,95,783	1,46,94,392
"	Under "Grand Total."	} 3,54,39,990	3,54,38,599
29	Under (12 Stamps)	1,52,272	1,52,292
30	Under "closing balance"	} 14,81,424	14,80,033
"	"Grand Total"	3,54,39,990	3,54,38,599
"	"Provincial Surplus"	} 3,46,927	3,78,556
39	3	3,45,15,000	3,42,45,000
"	22	25 $\frac{1}{2}$	25 $\frac{1}{7}$
"	37	found	bound
41	Read between "Land Revenue and Salt" under the heads of :—		
	actuals 1882	...	- 960970
	" 1883	...	+ 186755
	" 1884	...	+ 248972
	" 1885	...	+ 822000
	" 1886	...	- 1786000

ERRATA—Continued.

Page.	Line or head.	Incorrect.	Correct.
41	Under "Excise Budget" 1886	{ 42,98,000	42,78,000
42	Under "Medical Actuals" 1882	{ 59,228	59,288
"	Under "Total Revenues Sanctioned"	{ 2,70,64,930	2,80,25,900
43	Under "Salt Bud. get 1886"	{ 9,96,000	9,86,000
44	Under "Miscellaneous Railway expenditure Ac. tuals 1883	{ 1,24,115	- 1,24,115
"	Contribution Sanc tioned	{ 5,52,000	4,52,000
46	30	90,000	7,600
47	34	about lacks	about \$ lacks
53	9	5,000	4,000
60	13	Assesssd	Assessed
68	17	7	9 $\frac{1}{2}$
69	2	32	33 actnal
70	7	12,56,000	12,57,000
71	39 read the note of the cause of—the net loss to Provincial Revenue &c.		If actuals are taken for 1891-92 instead of Budget figures the loss will be converted into a small gain owing to the large provision made for improving the Police &c. not having been utilized.
72	2	Minor	Major
"	11	18	16 $\frac{1}{5}$ actuals
74	33	5,84,000	5,85,000
76	18	needs	need
82	35	The previous balance	accumulated balances
84	5	undertaking	understanding
85	Under provincial share of (XII. Interest)	The wole.	The whole